PREJUDICE AND JUDGMENT

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by

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CONTENTS

	PREFACE	7
I	THE BEGINNING	13
II	TREASURY AND ARMY	35
III	PRIVATE SECRETARY — HORNE	56
IV	PRIVATE SECRETARY — BALDWIN, CHAMBERLAIN AND SNOWDEN: THE RUHR OCCUPATION AND THE DAWES PLAN	95
V	PRIVATE SECRETARY — CHURCHILL	173
VI	THE CRISIS OF 1931	224
VII	INDIA	265
VIII	WAR OFFICE	332
IX	SECRETARY OF STATE FOR WAR	351
X	EPILOGUE	397
	APPENDIX	
	1 Field-Marshal Lord Alanbrooke	417
	2 Field-Marshal Lord Montgomery	421
	3 Field-Marshal Lord Alexander	426
	4 General Sir Bernard Paget	430
	5 General Sir George Giffard	434
	6 Field-Marshal Sir John Dill	438
	INDEX	439

PREFACE

A FEW sentences are perhaps permissible in explanation of the title I have given to this volume of reminiscences. *The Oxford English Dictionary* has collected a considerable number of meanings for the word 'Prejudice'. It is often used to imply an unreasoning predilection or objection, and equally often it connotes a bias or leaning favourable or unfavourable, usually unfavourable. From the second of these meanings there is presumably absent the unreasoning element contained in the first.

In this book will be found few or no prejudices in the former sense; in the second they occur almost as frequently as Mr. Dick's references to King Charles's head. For example, it is clear that I dislike intensely all those who have done and are doing their best to undermine Western civilization by disseminating the pernicious and manifestly untrue doctrines of Karl Marx. Then again I distrust utterly those economists who have with great but deplorable ingenuity taught that it is not only possible but praiseworthy for a whole country to live beyond it means on its wits and who in Mr. Shaw's description teach that it is possible to make a community rich by calling a penny twopence, in short who have sought to make economics into a *vade mecum* for political spivs. And I can think only with sorrow and anger of all those who were responsible for turning the vast continent of India from a peaceful and well-ordered entity into a shambles of hatred and murder where many hundreds of thousands of humble persons, who formerly trusted in the British Raj, were brutally done to death or perished of disease and starvation. If these are prejudices I certainly have them. But I would claim that they are judgments, for they arise not from any prepossession or preconception, but are the result of long experience and deep consideration. I have other prejudices of this kind but they either do not appear or have only been hinted at. Let me say plainly, however, that I do not like 'experts' and technicians who have never occupied or alternatively have failed in executive positions of responsibility, and yet write books to prove

how wise they are and how foolish is everybody else. These people remind me of (I think) Coleridge's definition of a critic as being one who has failed in art or literature. Nor do I find much to admire in politicians who, having in opposition lampooned their opponents to the point of libel, in office bleat like silly sheep at the slightest censure from those they have so assiduously maligned.

There will be found in the book prejudices, again in the second of the senses I first mentioned, relating to individuals. These are, it will be observed, almost uniformly favourable. Not that I haven't got individual prejudices of the adverse kind – lots of them in fact – but for a variety of reasons I have usually managed to be quiet about them. In the first place many of the subjects have either never emerged from or else have been relegated to the oblivion they deserve, and it is no part of my business to pull them out. Secondly I have found myself handicapped in expressing derogatory opinions by the constant recurrence to my mind of the resolution of that sane and astringent controversialist Dr. Johnson 'rather to say nothing that is false than all that is true'. And thirdly I am, all appearances to the contrary notwithstanding, quite prepared to consider Cromwell's advice 'to think it possible that I may be mistaken'. The portraits and sketches in this book then are predominantly of those for whom I have both admiration and affection. In these cases it is possible to include such blemishes as may exist without detracting from the generally favourable picture and indeed they are necessary to give it solidity and verisimilitude. I feel reasonably free in my conscience that in these appraisements I have been honest with myself and my readers and that here too my descriptions are based on judgment rather than prejudice.

It remains for me to thank those who have helped me in writing this volume. Part of it was composed in the year I was living in Washington away from my books and reference sources. During that time I received the utmost help and kindness from the Congressional Library and I am glad to be able publicly to acknowledge this. Then there are those whom I have laid under contribution to verify my recollections. From none of my jobs have I brought away more than a handful of papers and at no time have I ever kept a diary. Wherever

possible I have checked statements from published documents but I have often been driven to consult friends who were either fellow actors in or fellow observers of the events in question. Practically the whole of this consultation has been oral and if I ventured on a list of the victims of it I should be certain to leave some out. I prefer, therefore, to thank them comprehensively but anonymously.

There is one coadjutor, however, whom I must mention specifically. My wife has been a constant witness of and sufferer from the throes which I have undergone in making the book. She has listened with patience when I have read large chunks of it aloud to her, she has criticized, approved and suggested alterations and indeed has had a great share in whatever merits it possesses. What is more she has, in order to meet the convenience of one who no longer has a secretary, and who in any case has never taken kindly to the practice of dictation, learnt at her mature age to use a typewriter and copied with skill and without complaint the too frequent drafts I have produced in the struggle to satisfy myself and her who, in all the ways of my life, has been the most loyal and kindly helpmate, and at the same time a severe but stimulating critic.

P. J. GRIGG

October 1947

PREJUDICE AND JUDGMENT

CHAPTER ONE

THE BEGINNING

I WAS born at Exmouth in the county of Devon on December 16th, 1890. My father was then a carpenter earning, or at any rate getting, twenty-three shillings a week. My mother had been a children's nurse in a well-to-do middle-class family. On both sides my forebears have been West Country people for all the generations that matter, and so far as I know there is not in my blood the least taint of Irish, Scottish or Welsh. In my mother's family there was a tradition of a remote connection with the Drakes but, much as I should like this to be true, I cannot find that there is any substance in it. My great-grandfather on the male side, who lived to be over ninety, was a tailor in a substantial way in Exmouth. As a side line he owned three sailing ships. I remember as a boy of ten seeing a neat venerable bearded man who, in his ripe age, could read the newspapers without spectacles. The only other thing I know about him is that he had been a teetotaller for the last sixty years of his life.

My grandfather was his eldest son and, being the eldest, he had almost automatically gone into the tailoring business. But he was allowed, and even encouraged, to take trips on his father's vessels from time to time. During one of these, he left the ship at Melbourne and went off to the newly discovered goldfields at Ballarat. Here he fiercely preserved the teetotalism and sabbath observance in which he had grown up. A large and powerful man of twenty stone in weight, he was able and ready to use his bulk and strength to protect himself against the depredations or assaults of the more lawless or rash of the mining population. He did not stay at Ballarat long enough to become rich, for owing to his father's illness he was summoned home to take charge of the tailoring business. In course of time he married my grandmother who owned and herself managed a small dairy farm. Soon after he abandoned tailoring for the more outdoor life afforded by the dairy. Of this marriage there were five children, my father

being the fourth. From a very early age the children were inured to hard work, any tendency to idling or lesser forms of original sin being dealt with under the biblical injunction against sparing the rod. Indeed the impression I got from my father's tales of his boyhood was of a life made miserable by almost daily thrashings on week-days, and by enforced and repeated religious observance on Sundays. According to his lights my grandfather was, I suppose, a godly man for he was a deacon at the local Congregational chapel, and there was never the slightest suggestion that he was a humbug. I have heard of manifestations of his stern and narrow Calvinism even more disagreeable than his strictness towards his offspring, but such Calvinists were plentiful enough in those harsher but more robust and virile days.

My grandmother had died when my father was five and my grandfather married again and proceeded to raise another family, also of five. My father got all the formal education he was ever to have before he was twelve, at which age he apprenticed himself to a carpenter. He soon grew dissatisfied with his progress and transferred himself to another master, with whom he learnt a great deal not only of his trade but of human nature. He got a fair amount of cuffing, he heard more than a fair amount of blasphemy and he saw a lot of drunkenness. But at the end of his seven years he was a first-rate craftsman. He had packed a good deal of experience into that seven years but he was still an abstainer from alcohol and incidentally from strong language also. Soon after the end of his apprenticeship and just before his twenty-second birthday he was married.

My mother's maiden name was Crocker. Her father was also a tailor and he had a sizable private connection in and around Ilminster in Somerset. There was a large family of sisters and brothers, one of the latter of whom assisted in the tailoring business. When I was in my early teens I used to spend holidays at Ilminster. I remember clearly a house built into a high bank by the side of the main road and I recall a most attractive garden filled with flowers, fruit and vegetables to which I suspected that my grandfather gave more attention than to tailoring. From the garden a steep flight of stone steps led down to a deep and gloomy backyard which could be imagined into all sorts of

sinister places for the purpose of our childish games. Immediately opposite was a public house with a skittle alley and my grandfather and uncle were patrons of both bar and alley. I was a non-participating member of the bar, but from time to time I was allowed to take a turn at skittles. A mile out in the country was another inn which formed a convenient terminus *ad quem* for my uncle's evening walks. I shared in the walks but naturally not, at that tender age, in the evening potations. These must have lasted some time for I recollect that it was always dark when we came back, and to this day I can easily recapture the terrors caused by the soughing and sighing of the trees at the more eerie spots along the road.

The Crockers were also nonconformists though not so strict as the Griggs. Judging by a photograph taken shortly after her marriage, my mother was very good-looking as a young woman. She was twenty-six when she married and I was born almost exactly a year later. Very soon my father felt that he ought to seek some place which would give him wider scope than Exmouth. I think too that he wanted to break right away from his family. At all events, when I was ten months old, he left Exmouth for Bournemouth which had just begun on its career of expansion into a modern health and pleasure resort. There, till I was twelve, he laboured as a journeyman, suffering the normal lot of seasonal unemployment but never to my belief making any complaint of it. From Exmouth I carried away no impressions. I have seen a photograph of a bright and amiable child with a sausage curl, and I was told that I was a placid, good-tempered baby who could be kept from sleep only with the greatest difficulty. So it is not always true that the child is father of the man. My first memories then are of Bournemouth. They include the fact that the railway ran by the end of our garden, that I wore a red smock and had a large wooden horse and that before I was three I could spell quite long words and make a colourable pretence of reading the newspaper for the benefit of admiring visitors. My parents evidently judged that this precocity ought to be both exploited and controlled, for at three I was sent to the infants' branch of a British school. British schools were the nonconformist counterpart of, or rather counterblast to Church Schools, but unlike the

Church Schools they were, after the Education Act of 1902, completely surrendered to the local authorities.

The head mistress of the infants' school was a Mrs. Jones, the wife of the head master of the more grown-up part of the school, W. E. Jones, affectionately known to many generations of urchins as Johnny. I never knew whether or no Johnny had any formal academic qualifications but he was undoubtedly a man of very remarkable pedagogic gifts. His halcyon days ended with the passing of the Act of 1902, for the control of the Local Education Authority, with its standard curriculum, circumscribed the originality and experimentalism which had previously been the marks of his rule. He lived to be nearly ninety and died only in 1945 after a quarter of a century's service on the Borough Council as Councillor and Alderman.

Of my kindergarten days I have faded impressions of the abacus and stencilling, of the severe winters of 1894 and 1895, of a school photograph and myself in it, a bright-eyed, interested-looking midget almost submerged in an enormous tam-o'-shanter. I can recapture fireworks on regatta days, and see myself reciting at the annual display of school talent. I remember being extremely affronted when I was left out of this display one year, so I was presumably already conscious of what was due to an infant prodigy. But perhaps the high-light of this time was my being, at the age of four or five, pulled out from the lower school, perched on a high form in the upper school in front of Johnny, and made to spell in order to shame the boys of twelve and thirteen into greater proficiency. I got through all the usual traps and failed only at the word 'mackerel', which I insisted on spelling 'macquerel'. I cannot think how I came to make such an odd mistake unless it was due to my having read in the newspapers of the earlier discoveries of the French chemist Becquerel. For this early piece of exhibitionism I got twopence, which I was made to put away in a red pillar money box.

My parents carried on strictly the tradition of Sabbath observance. I went to Sunday school twice each week and later on was made to attend both the adult Sunday services as well. I can see myself walked off to the school resentfully wearing a bowler hat which my mother

fondly took to be the hall-mark of middle-class respectability. Every summer the Sunday school had an outing to the New Forest near Lyndhurst. In retrospect these days seem always to have been fine and I enjoyed them wholeheartedly, though I confess that the games and the luscious tea counted for far more than what in later life has presented itself to me as the unsurpassable beauty of the forest scenery. My mother did not go to church, partly because of the tie of the younger children, but also because she had become deaf almost from the day I was born. She was an admirable mother and I am everlastingly grateful to her. She worked for us unsparingly, she kept us neat and tidy, she fed us well and abundantly and she disciplined us strictly. My father, deliberately – on account of the miseries of his own belaboured childhood – never beat any of us. All of this fell to my mother and she performed the duty faithfully but I think, now that I see the horrible results of the pampering of later days, not at all excessively. Over and above all this she actively sought to arouse ambition in my father, and she was constantly encouraging me to develop – and I fear display – my quick wit and power of amassing knowledge. I evidently did not escape the dangers attendant on precocity, for when I got into Johnny Jones's Upper School I quite often got my ears boxed by the assistant mistresses or my head clouted by the older boys, and once I was caned by Johnny himself to teach me that I was not above the law.

I said earlier that Johnny was a remarkable pedagogue and this mainly because of his originality and willingness to experiment. In addition to the three R's, some history and geography, a minimum of undenominational scripture and presumably the ordinary elementary drawing and singing, he conducted for the older boys and girls classes in shorthand and book-keeping, rather more advanced drawing and much more ambitious singing – for example we would from time to time learn and present the whole of one of the better-known full-scale oratorios. We could only provide piano and violins to serve the purpose of orchestra. The pianist was one of the assistant mistresses, and the violinists were entirely the produce of a class which Johnny carried on out of school hours. There were classes too for those who wanted to

learn French. Even then if Johnny's formal academic qualifications were few he clearly had a very wide range. Moreover, he had a great gift of interesting large classes of sixty or so, and indeed several such classes taken together. If by any chance our attention wandered it was brought back by an outburst of fury which frightened us at once into obedience and application. I think this must have been largely simulated, for storms do not come so instantaneously out of a clear sky and, when I grew older and more observant, I used to detect a grin in the midst of the apparent fury.

But perhaps the most interesting feature of Johnny's untrammelled days was a regular course of lessons on current events. These took two forms – first, of filing past a large board on which were posted pictures from the illustrated papers of those days, which were much more objective and informative than their modern successors; and secondly, of lectures on the holidays which he regularly spent abroad. He had the knack of making fascinating these, I daresay, quite ordinary trips but now, nearly half a century later, only one of them comes back to me. This was his visit to Rennes for the second Dreyfus trial. Johnny was a passionate Dreyfusard and after he had given us a – no doubt one-sided – account of the scenes, we were invited to sign a petition to the French Government for an unconditional pardon. We all meekly signed with the exception of one little girl who evidently belonged to an anti-Semitic household.

In the Upper School I showed myself quite useless at drawing, music and carpentering, which was then officially designated hand and eye training. The other things I did better and more quickly than anybody else in the school. No doubt I was an objectionable young prig but I certainly wasn't pampered or favoured, either at school or at home. I was, however, paraded for all the distinguished visitors. One of these – it must have been in the summer of 1902 when I was eleven – was Dr. Fenwick, the head master of the recently instituted Bournemouth (Secondary) School. Johnny and Dr. Fenwick apparently discussed my future, for shortly afterwards Johnny saw my father, told him that there would be an examination that December for a scholarship at Bournemouth School, that if I entered I should almost certainly get it,

but that it was useless my entering unless he (my father) was prepared to see me carry on my education to the furthest point which my aptitudes would allow me to reach, and this presumably meant the university. This was a serious proposition for one who was still a journeyman carpenter earning little more than thirty shillings a week, and clearly I wouldn't get very far if all that was left over to supplement whatever I could get in the way of scholarships was the remains of thirty shillings after six persons had been fed and clothed and housed out of it.

My father therefore decided to set up for himself as a builder, naturally in a very small way to begin with. As the years went on the business prospered and expanded, but never beyond the scope of direct management and supervision by my father and my two brothers. It was, as I say, started primarily to guarantee that I should get every advantage from the scholarship if I got it – which I duly did. Before then the family income rarely rose above thirty shillings a week. And yet I never recollect our living otherwise than comfortably – abundance of good food for all of us, a sufficiency of warm clothing, a seven- or eight-roomed house in a working-class but not at all slummy street. There wasn't much for amusements or expensive luxuries, though an occasional lodger in the holiday season may have provided for some slight indulgences such as an excursion to Southampton to see a Football Association Cup-tie. Of course we were helped by the fact that my father had followed the teetotal habits of his father and grandfather. Moreover my mother was an extremely capable manager besides being a good seamstress and an admirable cook. But beyond all this, living was then remarkably cheap, and I often wonder whether working people today are really much better off than their parents of fifty years ago on a quarter of the present wages. There has been a radical change of attitude in the fifty years odd I have lived. When I was a boy, it was general to consider the consumer, his needs and desires, as the vital factors regulating our political and economic outlook. Whatever produced an abundance of cheap articles for his behoof was good, and if the result was a certain amount of spasmodic unemployment, that was a small price to pay for a system which

produced so much so cheaply. All control or regulation of output or movement was bad and was condemned as the fruit of what I once heard Lord Hugh Cecil describe as 'the accursed doctrine of scarcity'.

Nowadays we have a reflection of the Marxian philosophy in that the workman as such is all important. The aim is to keep him fully occupied irrespective of whether he produces at a profit or what the public (or himself as consumer) wants. It may be that the modern insistence on controlling and regulating everything is the only way to avoid widespread unemployment and so to distribute what is produced more evenly. But I feel sure that on the whole less is produced than would be under a less constricted polity. I have yet to be convinced that fallible humanity is disinterested enough or omniscient enough to be entrusted with so much power over the daily lives of themselves and others, or that the process of control once set in motion can stop short of that which prevails in Soviet Russia. Moreover I suspect that the next five years are going to prove that the so-called policy of full employment is inconsistent with freedom on the part of the worker to live where he chooses or to conduct (through his Trade Union) his own wages bargains.

II

I have not at all a clear picture of myself when I started on my Secondary School career in January 1903. I was certainly very small and my clothes were ready-made and not particularly well-fitting. I suppose too I must have had a somewhat Doric accent, for during the first year one of the assistant masters took and gave a great deal of trouble to rid my speech of its solecisms, whether of construction or pronunciation. I was very observant and imitative and before long acquired the colourless voice and speech which would now be described as B.B.C. I noticed also that most of the boys were better off than I was in the way of pocket-money. I do not remember taking part in the organized school games to begin with, though I no doubt shared in the free-for-all in the very large playground. I was placed in the Middle Fourth and I was the youngest in the form. In all the

ordinary subjects, I was more advanced and alert than the others and this was true also of French, thanks to Johnny's special tuition. But in Latin and geometry and the kind of things one cannot learn at an elementary school I had to start from zero. At the end of the first year the whole form sat for the junior branch of the Cambridge Local Examination, and I surprised myself by getting Second Class Honours with special distinction in scripture. I got good marks in most subjects except drawing and – unexpectedly and regrettably – geometry. So at thirteen I had become rather a star turn in my new school. But any tendency to trade on this was roughly dealt with by my older schoolfellows and, being almost a pygmy at this time, I was quick enough to learn some measure of discretion.

The next year I sat for the Junior Cambridge Local again and this time got First Class Honours with six distinctions. The following year I was promoted to the Senior Cambridge with First Class Honours and four distinctions. In both cases one of the distinctions was mathematics. From the beginning of my second year I was taught this subject by the head master, Dr. Fenwick. He had gone up to Cambridge very young and had in consequence failed to get more than a senior optime in the Mathematical Tripos, but he was a consummate teacher and under his guidance – I might almost say impulsion, for he was no exponent of the gentle method – I acquired not only a facility but a great liking for mathematics – algebra, geometry, trigonometry, conic sections, differential calculus and mechanics. At the same time I did not abandon my design to be an Admirable Crichton, and I usually managed to be at the top of the form in pretty well everything except drawing and woodwork. The humanities I got from the second master, L. W. Taylor, afterwards head master of Darlington Grammar School, and later still secretary of the Head Masters' Conference. He had an effortless faculty for getting himself liked by the boys and he had the gift of making them want to learn. For one thing I shall never cease to be grateful to him. He it was who first made me see how much more than the 'doing' of set books was needed before one could claim to be even passably well read, and he engaged my pride in becoming better acquainted with the masterpieces of my own

language. For the next fifteen years I was an avid reader of the English classics. Unfortunately, when I became absorbed in affairs in the 'thirties, I lost the gift of reading seriously for long stretches and became a 'dipper'. However, when my extrusion from the political world in 1945 brought me leisure, I took to reading seriously again and I am thankful to say that I have recovered most of my youthful appetite.

When I reached the age of sixteen it was decided that I should specialize in mathematics with a view to sitting for an Open Scholarship at one of the Cambridge colleges So far as I know I was not consulted about this important decision. Thereafter I spent practically my whole time on mathematics, reserving only the minimum required for Latin and Greek up to Littlego standard I was under the direct charge of Dr. Fenwick and I repeat that he was a superb teacher, and he made the various branches of the subject so absorbing that I entirely overlooked the fact that I had never been asked whether I wanted to become a mathematician This was really rather remarkable, for Taylor had put it into my head at least a year before that with my all-round facility for acquiring knowledge I ought to think seriously of the Open Competition for the Indian Civil Service, and I had gone as far as writing to the Civil Service Commission for particulars – at the age of 15!

Outside working hours I was not an active participant in the life of the school, and indeed in those days large and very new day schools did not have much of a corporate life apart from the scholastic routine I occasionally played in a third-grade soccer game, and I began to take a serious interest in cricket mainly because I was developing a certain knack of keeping wicket I joined too the school company of the O.T C rather in despite of the anti-militarist views of my Gladstonian Radical family and my physical indolence – in fact solely out of affection for Taylor who commanded the company I was a pretty hopeless cadet and remained a private for years Later on, after I had become head of the school, Taylor evidently thought there was something unfitting in my being still a private and I was made a corporal. But the advancement failed to provoke me into even

moderate competence, and so I did not join Marlborough, Napoleon and Hitler in the glorious assembly of corporals who have risen to command large armies. It is true that I did in the fullness of time become Secretary of State for War, who is President of the Army Council, which by law exercises command over the King's armies. But clearly the parallel here is rather that of Sir Joseph Porter in *H.M.S. Pinafore* which, incidentally, was the first of the plays publicly performed at Bournemouth School for the delectation of the parents. I once had occasion, when I was Secretary of State, to feel some shame over my early military incompetence. I had been asked to open an exhibition publicizing the work of the Army Cadet Force, work which it was my duty as well as my pleasure to praise and recommend, and just as I was opening my mouth to begin my speech I saw Taylor standing in the crowd less than ten yards from me. I was, even after thirty-five years, anxious to stand well with my old master and to avoid being called a humbug by him. I therefore prefixed to my prepared remarks a full confession of my past together with an exhortation to the cadets present to do as I said and not as I had done.

The memories of my home life in these years are rather hazy both in time and in sequence. Everything was done to enable me to work uninterruptedly at my books. Beyond occasional errands and sometimes washing up plates and dishes I was called upon for no household chores. Nor did I contribute to the builder's business except for making up the wage packets in the school holidays, and now and again delivering them to the various jobs my father had in hand. There was, however, one deplorable imposition upon me which I shall never cease to resent. My father had a pleasant, if small, tenor voice and he was in some demand for the concerts held either by the local nonconformist societies or the various branches of the Liberal and Radical Association. To my constant chagrin I was forced to be his accompanist on these occasions. I had been made to take piano lessons from quite an early age. I hated them, I never became in the least proficient, and at these concerts I was always in an agony lest the audiences should realize that I was as bad an accompanist as I knew myself to be. However the ordeals were nearly always assuaged by supper or tea or at the least

'refreshments', and so far as my young memory goes both nonconformity and liberalism displayed a certain amplitude in this direction.

Bournemouth was then part of the Christchurch Parliamentary constituency. This extended well out into the New Forest and our concerts often involved trips into the very lovely countryside. Christchurch was a Tory stronghold. It is true that the Hon. T. A. Brassey ran the Conservative to three votes at the Khaki election of 1900, and that a Liberal was actually returned in the landslide of 1906, but otherwise it remained obstinately and truly blue. At the 1906 election my father had charge of one of the Liberal committee rooms and I saw something of active electioneering for the first time. He was also in demand as a speaker. He was fluent and ready-witted and particularly good at open-air 'rough and tumbles'. I have always admired and envied this capacity of his to turn on the tap at a moment's notice, quite unabashed and quite un-selfconscious. For my part I have never taken kindly to public speaking though I have in later years had to do a lot of it. I have practically never dared make a set speech without having written it word for word in advance. On the other hand I could always hold my own in the cut and thrust of question and answer in the Indian Central Assembly, in the House of Commons or at rowdy election meetings in Cardiff. Incidentally I myself took charge of a Liberal committee room at the General Election of 1910 but our man was well beaten – by Henry Page Croft who was afterwards the most loyal and friendly of colleagues when I became Secretary of State for War in 1942.

In the spring of 1908 I was sent up for a trial trip in sitting for scholarship examinations – to Magdalene College, Cambridge. Three scholarships of £45 a year each were being offered, and I was told in advance that my outing was only intended to be a run over the course, and that I was not to be disappointed if I found myself unplaced. The candidates stayed in lodgings and not in college. I knew nobody in the university and I was too shy to think of asking my way about the place. Consequently my first visit to Cambridge left me with no more idea of what life there was like than I had before. To everybody's surprise

I was offered one of the three scholarships and, bearing in mind the value of the bird in hand, I wanted to take it up. Dr. Fenwick however strongly advised me to wait for one of the groups of colleges which held their examinations in December and offered many more and much bigger scholarships. I put my name down therefore for the group containing St. John's, Caius, Pembroke, Jesus, Emmanuel and Christ's. Quite a number of scholarships of £80 a year were offered in this group and, if I got one of them, I should have, with the local scholarship of £60 I was reasonably sure of getting, £140 a year in all and this would provide at any rate the greater part of my expenses.

That summer I was in London for some reason and one day I was sitting in the open air on Clapham Common. On the same seat there was a young man in dungarees doing Greek exercises. I got into talk with him and found that he was a railway cleaner whose dearest ambition was to be a missionary. He was working accordingly, in the intervals of cleaning engines, for the entrance examination to a training college, and he begrudged every minute not given up to that compelling purpose. Such courage and perseverance must have been rare even in those days and I was glad to hear afterwards that in the end he realized his ambition.

In December I went up to St. John's, Cambridge, for the scholarship examination. This time I did manage to see a good deal of the town and the colleges, but I was still left with a very imperfect idea of what university life was to mean. In spite of the dress rehearsal earlier in the year, I got stage fright in the first paper and did very badly in it. However I must have recovered subsequently for I succeeded in getting the senior £80 scholarship. From then till the time I was due to go in the following October I pursued a course of preliminary reading recommended to me by the college. That interval between school and university was delightful and carefree and in the summer I played a good deal of light-hearted cricket. I got into the school eleven as a wicket-keeper, though I cannot have been at all good for, as I had taken to wearing glasses a year earlier, I could only 'stand up' to fairly slow bowling. In the holidays I played occasionally for one of the local League sides and found it great fun, especially the away matches.

I remember too going on an outing of my father's workmen to Salisbury. The lovely cathedral and the beauty of the reedy Avon come back to me. So, I am afraid, do the recollections of a gargantuan midday dinner and the journey back in the dark, with its bacchanalian jokes and snatches of song fading into the satisfied somnolence which fresh air and malt liquor so often induce.

III

This unexpected capture of the senior scholarship at St. John's rather went to my head. I began to fancy that I had in me all the makings of a Newton, and determined that I would aim at getting a fellowship and devoting myself to mathematics as a life's work. It was to turn out quite differently, but before I come to that let me set out the picture I see of myself when I went up to Cambridge at the age of nineteen. I had £140 a year in scholarships, but this would not cover more than bare expenses, and it certainly would not furnish enough for the private coaching which was considered to be necessary for those aiming at a high place in the Tripos. I was certain therefore to have to draw on my father, and he had not yet reached the stage when the building business could provide money for me without injury to the younger children. I accordingly bound myself to regard any amounts which had to be found to supplement my scholarships as a debt to be repaid when I had ranged myself in life. And these amounts were to be kept to a minimum by a very frugal way of life. Apart from the compulsory dinner in hall my diet was Spartan in the extreme, and I preserved throughout my four years of residence the teetotal habits which had marked the three previous Grigg generations. I certainly could not afford to take any part in the organized athletic life of the college, or join any of the multitude of societies or clubs, social, intellectual or political. Of course all this narrowness meant that I did not get the best out of Cambridge. The inability to return hospitality increased the natural reserve due to shyness. The lack of sufficient exercise in a climate raw in winter and relaxing in early summer made

for a certain lowness of spirits. The recognition that my future depended entirely on what use I made of the university meant that I worked too hard, especially as the college was insistent that scholars should reach a high standard in the college and university examinations under penalty of having their emoluments reduced.

As far as I can make out, corporate life was much less organized at Cambridge than at Oxford and contacts with the dons were less frequent and less intimate. There was it was true an obligation to dine in hall at least five nights a week, and compulsory chapel for members of the Church of England. But there was no Junior Common Room and the college reading room was as solemn as the corresponding institution in a Municipal free library in a North Country industrial town. I had a tutor who never did any tuition, but was charged with the discipline and general welfare of about one-third of the college. I reported to him at the beginning and obtained from him leave to go away at the end of each term. I was invited to lunch at his private house once a year. Otherwise I need never go near him except when I was in trouble – whether blamelessly, in which case I went at my own instance, or otherwise, when I was sent for. Throughout my four years my tutor was L. H. K. Bushe-Fox, who deservedly evoked the affection of generations of Lady Margaret rowing men but as I didn't row and was besides very shy and unforthcoming, his influence on me was confined to the radiation of general goodwill and wisdom. My mathematical studies were directed by Dr. H. F. Baker afterwards Professor of Astronomy. He was one of the most abstruse and difficult lecturers I have ever known, and he was too learned in the more esoteric parts of mathematics to be of much help to ordinary students. His lectures were a nightmare to me for, apart from their being abstruse, he went at such a headlong pace that it was almost impossible to take down notes which were at once accurate and comprehensible, and I attribute to my attendance at his courses the severe attack of writer's cramp which I had in 1915. He was a remote and rather gloomy man who was accounted to have become so from the early death of a much loved wife. Be that as it may he was obviously a brilliant mathematician, and his advice in the matter of lectures and

textbooks was far more efficacious than I was at first prepared to admit. Other mathematical lecturers in my first year were Dr. T. J. I'A. Bromwich, clear and competent as well as careful not to outrun the capacity of his pupils, and R. R. Webb, a magnificent teacher and a most amusing card.

Webb had been a senior wrangler and, after getting his fellowship, he succeeded E. J. Routh of Peterhouse as the doyen of private coaches. It was told of him that in one particular year the lowest of his seventeen private pupils was eighteenth wrangler. In the late 'eighties or early 'nineties he had broken down from overwork and had thereafter cut himself off from the social life of the college, made a habit of dining alone in his rooms, of taking long walks by himself and of spending his holidays abroad. He became a confirmed but solitary devotee of port. He dressed oddly. I never saw him except in one or other of two tweed suits of ample cut and the loudest of patterns and out of doors he invariably wore an extremely old-fashioned bowler. He was an admirable lecturer and an absolute genius as a private coach, and beneath a ferocious exterior he seemed to me to be a kindly old man. At all events he gave to me uninvited and to one other scholar of my year a great deal of private tuition which was both free and beyond price. This was, however, at times attended with an abundance of caustic comment on our knowledge and aptitude. On one occasion he asked us a trick question. I suspected the trap and was suitably discreet. My companion on the other hand plunged boldly into the bog and was very soon hopelessly floundering. Old Webb thereupon tore off a corner of paper smaller than a sixpence and said, 'Mr. X, would you kindly write down on this piece of paper all that you know about mathematics.' At another time I proudly took him the solution of one of his set problems. I had covered sheets of paper and taken hours of time. Without a word he wrote out the answer by the correct method in three lines and one minute. He then looked up with a grin and said, 'Difficult, isn't it?' In his larger classes he would poke fun, not always good-natured, at the whole assembly or at individual members of it. A frequent device was to draw a most lifelike rabbit on the blackboard and ask his victim if he recognized himself. But

now and again the biter was bit. There is a story of his drawing a spiral and asking an undergraduate named Coyle what it was. Coyle replied that it looked very like a web. The old man wasn't at all amused. One of the 'properties' at his lectures was a very old and very misshapen pair of spectacles. He used to explain how, many years before, he had spent three guineas on an oculist and another two guineas on having his prescription made up. One day on his rounds he picked up a shabby spectacle case in the gutter and found that its contents suited much better than those which had been prescribed for him. He therefore adopted them for the rest of his life. From this he was led to animadvert on the charlatanism of specialists, and thence it was a short step to belabouring some of his former pupils who had become Doctors of Science or Professors whereas he had remained a simple Master of Arts. Another memory is of his rebuking me for extenuating an incorrect solution by the argument that I had used the right method but had merely worked it out wrong. 'Young man,' he replied, 'you are not a good enough mathematician to be able to afford to ignore arithmetic.' The only other mathematical lecturers I attended were E. Cunningham, the present Steward of St. John's, and Sir Joseph Larmor, Lucasian Professor and afterwards Senior Burgess for the university. Had I known it, the latter was one of the greatest mathematicians of all time as well as being a most delightful man. But he used to have long stretches of profound and disconcerting silences during his lectures, and he was shy in private intercourse, so I never pursued his acquaintance either mathematically or socially. It was a great convenience being a member of a college which could provide all the lectures one needed within its own walls. I understand that, in the thirty-odd years since then, the teaching in the university has become much more organized into faculties and that lecturers now give up to the university what was meant for the college. I must say that I think this a pity, for the essence of university life is assuredly the college.

By the end of my first term I had developed a morbidly poor opinion of myself as a mathematician, and had decided to revert to the Indian Civil Service as my objective in life. I had come to realize that,

whatever my superficial quickness, I was completely devoid of the capacity for original thought and research. Apart from that, I began to regard with something akin to horror the prospect of a life devoted predominantly to so exacting and exhausting a pursuit. It seemed to leave me with little capacity for seeking the graces of life and I grew more and more conscious of what I should have to surrender if I really concentrated on becoming a mathematician.

In my second term I made friends with A. G. Clow whose life has been curiously intertwined with mine ever since. He was the son of Professor W. M. Clow, a gifted and respected Minister of the Church of Scotland, and when he came up to Cambridge from Merchiston he had already settled in to hold with great assurance and tenacity the religious beliefs in which he had been brought up. We were intimates throughout my four years at Cambridge, we both read mathematics, we both sat for the Civil Service Examination in 1913 and though, as a result of this, I joined the Home Service and he the Indian, we met again when I went to India in 1934 and indeed for the last of my five years there we were fellow members of the Viceroy's Executive Council. He afterwards became Sir Andrew and Governor of Assam. He influenced me in two ways. First he made me work too hard. He was very pertinacious and thorough and laboured for long hours each day, keeping an exact tally of them and proudly retailing it to me. This provoked me into putting in longer than I wanted and longer than I needed, and some of the time so spent might have been much better employed in widening my circle of acquaintances and friends. Secondly, seeing that religion meant so much to him, he could not have failed to try to make it mean much to me. But though we talked earnestly and long of these things our discussions did not lead to any stabilization of my beliefs, or to any unshakable conviction of the truth of the Christian revelation.

In April 1910 I was top of my year in the college examinations and in June I got a First Class in Part I of the Mathematical Tripos. But I was not thereby tempted to resume the fond imaginings that I was a real mathematician. By this time the old Mathematical Tripos with its numerical placings, its senior wrangler and its wooden spoon, had

disappeared. Of the new Tripos, Part I was a kind of weeding out examination while Part II qualified for a degree. The latter was divided into two sections – the compulsory Schedule A on which the classes were determined – and these retained the old nomenclatures of wrangler, senior and junior optimes – and a voluntary Schedule B. The papers in Schedule B were very advanced, and candidates who passed in these or obtained special distinction appeared in the class lists with a 'b' or a 'b*' opposite their names.

That summer I went back to Cambridge for the optional period of long vacation residence. There were no lectures and no compulsory chapels and not more than a third of the full numbers were in residence. Those undergraduates who read at all did so on their own, subject to a modicum of private coaching. For this I went to Dr. Bromwich and my only fellow pupil was R. A. Fisher of Caius who afterwards became about the greatest authority in the world on that kind of higher statistics with which the name of Karl Pearson is associated. Many years after I met Fisher in India where he had been attending the meetings of the British Association. Of his particularly esoteric science there was one exponent in all that vast country, the extremely brilliant Professor Mahalanobis and to him I, as Finance Member, had given some small grants for the purpose of carrying out a 'controlled' study of Indian village life. Fisher came to urge me to multiply my bounty.

Life at Cambridge in the long vacation is delightful – not too much work; a climate admirably suited to lotus-eating by and on the river; plenty of time to read what one wished instead of what was prescribed – and it has always seemed to me that in this optional term lies no small one of the many advantages which Cambridge enjoys over Oxford. The conventional barriers between freshmen and those of maturer years were in abeyance and it was easier to strike up acquaintances. Mine, I fear, were rather noisy but our raffishness was not very serious, consisting, as it did for the most part, of sing-songs after hall and of the occasional patronage of billiard saloons. Anyhow I was under no temptation to abandon my teetotalism and I engaged in none but very minor extravagances.

This mild attack of raffishness continued into my second year and to it was added the habit of sitting up late playing bridge. As a result I made rather a mess of the college examination in March and fell from first to third place. This provided a quite wholesome shock, for I began to have visions of a cut in my scholarship. I therefore pulled myself together and in the summer term recovered my position. My father had evidently gathered a shrewd notion of what was going on and refused to find the money for a second long vacation in Cambridge. I had therefore to spend from mid-June to early October working at home. I had naturally been given a full allotment of reading by Dr. Baker and I busied myself with a competition thesis for one of the college prizes – founded in memory of John Couch Adams, the discoverer of Neptune. My dislike of mathematics as the main occupation of life grew and I daresay it was magnified by the absence of antidotes to it in the way of recreations within the scope of our limited means. How I amused myself in the intervals of grinding away at mathematics I cannot imagine. About the only clear recollection I have is being delighted with Marie Tempest at the local theatre in a very light comedy called *Mary Goes First*.

I didn't after all get the Adams Prize. It went to a freshman who, I was afterwards told, had produced a remarkable piece of original work. Whatever my essay was it certainly wasn't original, and I had to content myself with a consolation prize in the shape of Adams's collected works in two large fat volumes which I have never opened – though I haven't even yet had the face to throw them away.

Of my third year I recall a gradual widening of my circle and a concentration on doing well enough in the Tripos to get my full £80 scholarship extended for a fourth year which I wanted to spend in reading for the Civil Service Examination. Some of my newer acquaintances were at any rate dilettanti in the Arts and Literature, and I began to shake myself free from the tyranny of absorption in mathematics. But I still took no part in games or in the various college societies – pious, forensic, learned or bacchanalian. I used frequently to watch the varsity football matches and I remember still the magnificent South African rugby side of 1912 and some of the Cam-

bridge Davids who fought against Goliath – C. N. Lowe, H. W. Thomas and J. G. Will for example. In Association this was the year of H. G. Bache's side which won every match except the one against Oxford. This side contained R. M. (now Sir Ronald) Weeks who was later to be a member of the Army Council with me from 1942 to 1945.

After the Tripos examination in May I felt reasonably certain that I should be a wrangler and fairly confident that I had got a 'b*'. So I occupied myself cheerfully with the diversions of 'May week' and possessed my soul in patience – until the night before the results were due. I could not sleep and I lay shivering in spite of its being a hot midsummer night and of my having piled more and more bedclothes on to myself. Finally I got up and spent the night in the absurdly uncheerful occupation of reading *Tess of the D'Urbervilles*. I have no doubt that Tess is the best of Hardy's novels but I shall never read it again! However in the morning all was well. I was a wrangler and I did get a 'b*'.

Six weeks later I came back for the long vacation and began reading seriously for the Civil Service. Mathematics was of course to be my main stock in trade for the examination and everybody had to take the English Essay paper. In addition I chose English Literature and economics plus chemistry, physics and botany. It was a great mistake to have chosen three Natural Science subjects and I wish I had selected history. One was not required to go very deeply into these sciences, and I have always thought that in their early stages they are portentously dull. But I like to think that my early dislike was a foretaste of the intense distrust I have since acquired of the ultra-scientific outlook. I hate the terrible materialism into which the Western world is plunging as a result of the combination of science and Marxism, and I am terrified lest the restoration of the humanities to at least parity should come too late to save the civilization which we have inherited from Greece and Palestine. But I did not in those days know what a tyrant science was to become. And I could always escape from its boredoms to English Literature particularly as our special period was the full-blooded Elizabethan. I rather enjoyed economics also, though I afterwards discovered that I had too closely confined my reading to

classical theory and was ignorant of the practical applications. So altogether, despite the fact that I had to work harder than ever, my fourth was probably the happiest of my Cambridge years.

The Civil Service examination took place in London in August. It was a horrible ordeal involving nineteen three-hour written papers and three prolonged practical tests as well. I had all along thought that, in the absence of bad luck, I should be in the first ten and that, with good fortune, I might be fourth or fifth. I never expected more than this which meant that I saw no chance of a home appointment in the Treasury. I took for granted accordingly that my future career was to be in India. There was a month between the end of the examination and the results. I kept myself reasonably placid by reading George Meredith's novels. I also amused myself by marking my own performances. The calculations were complicated by the fact that the examiners were known to deduct from the marks actually obtained in any subject a quarter of the marks not obtained. The object of this was to penalize smattering. However, taking this into account, I came to the conclusion that I might get 3350 marks out of the maximum 6000. On the average of previous years this would secure me the fifth place. Three times during the month I saw the lists in my dreams. Twice I was at the top and the third time I had a special list all to myself! When the letter came from the Civil Service Commissioners I found I was first. I had scored 3367 marks, and 100 marks covered the first four candidates. Clow was fourth and number two was J. B. (afterwards Sir James) Taylor of Edinburgh, of whom I was to see a great deal later when I went to India as Finance Member. Naturally I leapt at the offer of the Treasury and I could look forward to a prosperous and useful career with the assurance of a pension at the end of it.

CHAPTER TWO

TREASURY AND ARMY

I REPORTED for duty to the Treasury in October 1913. I was received by Sir John (afterwards Lord) Bradbury (one of the two Permanent Secretaries – the other being Sir Thomas Heath) and sent off to learn my business without much preliminary palaver. The head (or Principal Clerk as it was called in those days) of the division to which I was assigned was Mr. Roland F. Wilkins, C.B. It was all quite different from what I expected. In my innocence I had assumed that the Treasury occupied itself mainly with pure financial questions such as loans, conversions, relations with the Bank of England, the presentation of Estimates to Parliament, control of Exchequer issues, and so on, whereas in fact only one of the six divisions of which it then consisted was concerned with this kind of thing, while four of the remaining five were engaged in the control of expenditure. The Fourth Division was responsible financially for the Post Office, the Office of Works, the Office of Woods and Forests, and it had certain odd functions in relation to the Channel Islands, the Isle of Man and the Estates of Intestates. Its staff was very small, for between Wilkins at one end of the scale and myself at the other, there were only two First Class Clerks, F. Phillips and J. H. McC. Craig. The former later became Sir Frederick and the Treasury's principal expert in pure finance and died during the second World War after a period of strenuous and fruitful service as the British Treasury representative in Washington. His comparatively early death was a great loss to the Treasury and it will be long before they find it possible to replace his robust common sense and vast knowledge. Craig (now Sir John) in course of time became Deputy Master of the Mint.

Wilkins took and gave some pains in teaching me my job – the mechanics as well as the principles. His method was in the main to make me try to do things for myself and then, with some relish, to point out what I had done wrong. I was encouraged and indeed com-

pelled to take on a lot of work which would not normally be regarded as within the competence of a Second Class Clerk. In addition Wilkins would make me compile office guides on particular aspects of the functions of the division, and draw up schemes for a devolution of financial authority in minor matters to the departments whom in 1913 we controlled so meticulously. And further, he used to send me on missions to other offices, invariably to see officials very much senior to myself and to lay down the law to them. No wonder the Treasury was disliked in those days! However, no Treasury can fulfil its proper functions without being disliked. Before the last war the British Treasury was certainly extremely efficient and I am inclined to think that much has been lost by the disappearance during the second World War of its undisputed primacy among public departments. Altogether I have cause to be grateful to Wilkins and I hope that I am in fact grateful. He was always impressing on me the importance of the House of Commons in the Treasury scheme of things, and he it was who was responsible for my first visit to the Official Gallery. The occasion was the Post Office Vote and I remember that the Postmaster General's private secretary, Mr. (afterwards Sir Cyril) Hurcomb, took me to lunch in the Strangers' Dining Room. Hurcomb later became Chairman of the Electricity Commission and he was the extremely efficient Director-General of the Ministry of War Transport in the second World War. He is now to be the Chairman of the Board which will run the nationalized Transport undertakings. He has the reputation of being gruff and reserved and certainly he has no patience for humbug or wishful thinking. But his simple act of kindness that day to a greenhorn has made me his devotee for life, and I think him not only one of the most competent officials I have ever known, but also one of the most likeable.

Although by getting into the Treasury I had an assured future my present wasn't at all luxurious. The starting pay was £200 a year rising by annual increments of £20. One could pretty well count on being promoted to First Class Clerk in five or six years and a scale of salary rising from £700 to £900 a year. The latter then represented great comfort for a young man of 28 or 29 but £200 a year at 24 did not leave

anything over for display or dissipation, particularly when one still had a few outstanding Cambridge debts to liquidate. I started in London therefore by lodging cheaply at Mortlake. I was comfortable enough when there but I soon found the daily train journeys irksome and the boredom of a midnight return from Waterloo to Mortlake in a third-class carrriage took most of the pleasure out of an evening theatre or concert. Then again it wasn't possible on £200 a year to give myself expensive holidays, so I used to spend my liberal allowances of leave at home in Bournemouth.

After a time I decided to abandon Mortlake and to take a share in a small flat at the top of a house in Norfolk Square near Paddington. The house had about six flights of stairs and no lift, the domestic staff consisted of a shrew and a very much henpecked husband who relied on bouts of alcohol to console him in his normal marital inferiority. But the shrew was a good cook and her spouse, when sober, was an admirable manservant and, anyhow, even a share in a flat gives a young man in the early twenties a tremendous feeling of independence.

I had hardly transferred myself from Mortlake to Paddington before the Four Years War broke upon the world. I was singularly unaffected by the war at first. The work of Treasury control suffered no immediate change and all the new financial tasks and anxieties Bradbury kept very much in his own hands and those of a few trusted subordinates. And to start with it never occurred to me that I had any duty other than of seeing the war through inside the Treasury. I think most educated young men of that time had absorbed from Norman Angell the conviction that the war couldn't last for more than a few months. However, after Mons and Ypres this easy conviction disappeared and when after Antwerp my stable companion went off to join the Royal Naval Division, I began to feel myself somewhat lonely and, what was worse, uncomfortable at the prospect of being stuck in a safe job in London when nearly all my acquaintances had joined one or other of the forces and all too many of them were being killed. Accordingly when I was moved from Wilkins's division to one which spent its whole time awarding pensions and injury compensation in accordance with a rigid code of law and regulation, I felt that the limit had been reached.

By making myself a nuisance I finally got permission to apply for a commission in the Army. At my first attempt, in June 1915, I was rejected on account of short sight, though with glasses I had unusually acute vision. I was very much upset by this and on top of it I got a severe attack of writer's cramp which was at times painful and always lowering to the spirits. Some effects of this still remain, for to this day I am obliged to use a very fat penholder and even so I begin to suffer cramps and pains if I write for more than a couple of hours on end. Curiously enough I have never sought to relieve myself of the physical burden of writing by the modern habit of dictation. I am too self-conscious and too much concerned to get the exact shade of meaning to make this easy or desirable, and so I must go on using the ancient way of setting down every word for myself. Perhaps, however, it is a blessing for the threat of cramp is a great corrective against diffuseness and writing for the sake of writing.

A few months later, I was allowed to have another shot at joining the Army. This time I was successful, partly because I took the trouble to learn the first few lines of the sight-testing card before I took my glasses off but, I suspect, much more because the great expansion in the heavier kinds of artillery made the military authorities less strict in their standards, particularly towards those who could be regarded as having technical or mathematical qualifications. Anyhow, at the beginning of November I was gazetted a temporary second lieutenant in the R.G.A. and a few days later, having provided myself with all the usual paraphernalia – far more than I ever found occasion to use – I reported to Felixstowe to begin the job of becoming a soldier. I was not unduly put down by the memory of my hopeless inadequacy as a corporal in the school O.T.C. I believed that gunnery was very scientific, I knew that I had been brought up mathematically and I imagined that it didn't much matter that I hadn't a very soldierly bearing or outlook, and that I was markedly deficient in a sense of the hierarchy.

But I soon learnt differently. At Felixstowe we were compelled – stupidly as I then thought but as I came to think a quarter of a century later, very wisely – into a considerable routine of drill, marching, saluting, physical training and all the other things I particularly disliked.

No doubt I condemned these things as stridently and as ignorantly as did the bright young intellectuals of the present war. But they did make me see that one's life had to be arranged with some regard to that of other people's and it was from a health point of view exactly what I needed. I put on a stone in weight in less than three months, and my mind was entirely at rest again.

II

The course of budding officers at Felixstowe was a large one. We were accommodated in a deserted preparatory school from which most of the small stock of comforts customary in institutions of this kind had been removed. I do not remember much about my fellows except that I formed with R. B. Henderson, afterwards the very original (to the point of genius) but not invariably approved head master of Alleyn's School, a friendship which has endured to this day. I do remember that the technical part of our training – almost entirely on Coast Defence Artillery in Landguard Fort – was extremely well conducted by an Instructor called Tompkins who later commanded a Siege Battery with success in France. Originally a ranker, he was full of knowledge and patience and was in the non-snob sense of the word a gentleman. I have only one grouse against him and that a very minor one. One day he had been giving his very mixed class a lesson in elementary trigonometry and at the end of it he lighted on me – fresh with all the conceit of my comparatively recent wranglership – to ask if I had fully understood what he had been saying! At the end of the course we had an examination which fortunately excluded all the disagreeable physical parts of soldiering. In this I was top and Henderson second and I well remember Tompkins saying that I was the only candidate who had been careful to answer all the questions asked and none of the much larger number of questions which had not been asked.

For a few weeks after this I was assigned for duty in the Fort and I remember our having to stand-to during the flurry caused by

what was thought and hoped to be a German raid and which was anyhow real enough to cause Commodore Tyrwhitt's *Arethusa* to put hastily to sea and run on to a floating mine. But I was very soon sent off to do a second course at Roffey Park, Horsham, this time in Siege Artillery, and I began to feel that I was getting somewhere near the war. I do not remember very much about this except that the doctrines we had to imbibe came very easily to an ex-mathematician, and that I was again top in the end-of-course examination and Henderson again second.

Next I was posted to a Siege Battery which was being formed at Portsmouth. No Commanding Officer had yet been appointed but there had been gathered a very fine collection of men and it fell to me to train all the more technical of the specialists such as gunlayers and observers. I enjoyed this work enormously especially as I had at first a free hand. Moreover Portsmouth was a very pleasant station. Not only was there the comfortable mess in the Clarence Barracks but there was a variety of outside amusements ranging from theatres and music halls to the embarrassingly potent entertainment of that favourite haunt of the Navy ashore – Totterdell's. However, all good things come to an end and there soon arrived the C.O. designate. I thought him a blimp and I daresay that I was not at sufficient pains to conceal my view. He was in the late fifties and had for some years been living in retirement. Before that he had been engaged not in gunnery but in the Ordnance Corps in Malaya. He soon took a violent dislike to me – which I daresay was natural – and to most of the other officers as well – which was quite unreasonable. And we all found it galling in the extreme when this dislike was manifested in front of the men on parade. In the end, most of us applied for and, after some fussification, obtained transfers to other batteries, though all to different ones. My new Commanding Officer received me quietly enough but he clearly thought he had got a pretty bad bargain and I don't think this impression was ever entirely erased from his mind.

The new battery did its training at Bexhill and from there we went to Lydd to do our firing tests and finally to Stockcross, near Newbury, to wait for our guns and equipment as a preliminary to embarkation

for overseas. We there learnt that we were destined not for France but for Salonika. Most of us were disappointed but we were consoled with the prospect of something quite new. We heard later that the battery which I had abandoned had been very badly knocked about in its first weeks in France.

We embarked at Devonport in July 1916 on an Elder-Fyffe fruit boat of about 4000 tons. The guns and stores came on another ship from Avonmouth and arrived in Salonika a fortnight after us. Our ship rolled a lot but as the sea was dead smooth it did not pitch and we had very little sickness. A few things about the voyage I still remember. The first is the emotion after nearly a week at sea (out of sight of land to avoid submarines) of seeing Tarifa with its roofs and walls gleaming in the sunrise. I had the same view at the same time of day from an aeroplane during the second World War, but somehow the glory of the morning was no longer so effective. I vaguely remember a dusty afternoon at Gibraltar and the refusal of our captain to lie off Pantellaria for an escort through the submarine zone. More than that, he neglected to carry out his standing orders to pursue a zigzag course and made off at his full 14 knots for the Aegean where our escort caught us up 48 hours later. I recall seeing flying fish gleaming in the sun. Then I recollect sighting Pelion and Ossa and later Olympus, and finally berthing in Salonika without mishap. Like most Mediterranean ports Salonika looked bewitching from the sea, but we were very dashed when the Port Landing Officer came on board and told gloomy tales of the malaria which was raging among the troops. We didn't wholly believe him but later on we discovered that he had if anything understated the seriousness of the scourge.

In any case Salonika lost most of its attraction to nearer view. There were a few large stores, including branches of the two well-known Levantine firms, Stein and Orosdi-Bach, there was Floca's café crowded at all times with uniforms of nearly every army under the sun, there was the famous (or infamous) Tour Blanche and there was the interesting covered bazaar in the Spanish quarter. I suppose I ought to say Jewish quarter, but the fact is (or was) that three-fifths of the population were derived from the Jews expelled from Spain in the Middle Ages and the

predominant language was still Spanish. I discovered also the fourth-century Byzantine church of St. Demetrius but the Greeks had only just started uncovering its mosaics from the plaster of the Turks. Moreover I have never been very sensitive to the merits of Byzantium. Otherwise it all seemed to me dust and squalor – and of course flies and mosquitoes.

After we had disembarked we were marched off to a hill just outside the Turkish quarter of the city, passing on the way a Greek funeral with its corpse exposed in the coffin and its collection of Orthodox clergy and their queer head-dress. We found a dusty, uncomfortable and unfurnished camp and there we spent the next month. There was no mosquito netting and the tents were unlined. And having no equipment we had very little to do except routine marches and quinine parades. When the guns arrived a fortnight later half of the battery was sent up the newly built Seres road to the Bridge over the Struma at Orljak, while the other half remained behind. Of that half a large number of men had at the end of a month gone to hospital with malaria or dysentery. The rest of us were ordered with the two remaining guns to the Doiran front which was fifty miles or so as the crow flies (over untracked mountain and swamp country) from Orljak. There had recently been a full divisional attack here – frontally up the steep mountains – and it had been bloodily repulsed. What good we could do there with our two comparatively short-ranged 6-inch howitzers, I did not know. Anyhow we did no good, and after a disappointing and uncomfortable week we were ordered to move our two guns over to the Vardar valley. This move arose out of a raid in strength on the Bulgar trenches at a place called Machukuovo. Instead of coming straight back with their prisoners the infantry were ordered to stay in the captured trenches. But alas, their new positions were enfiladed from both sides and our men began to suffer heavy casualties from machine-gun and artillery fire, the latter mainly from two 8-inch guns located at Ghevgeli across the Vardar. Our orders were to move thirty miles during the night, to be in position and ready to open fire at dawn and silence these two guns. On the way we passed streams of wounded coming back to the Casualty Clearing Stations and learnt

that anyhow our infantry had been withdrawn. However, we did what was required of us and duly opened fire at Ghevgeli at daybreak, only to find that it was 1000 yards out of our range! Incidentally our night journey was marked by one delicious incident. At a certain corner a large part of our convoy took the wrong turning and was only rediscovered after an excited chase in the battery car in the dark. Very unjustly I cursed one of my two section sergeants – fittingly enough for a gunner, named Shute – for not having kept the missing vehicles in view (in the pitchy blackness!). After I had gone away I was later informed that he turned to his companions and said solemnly, 'Well, chaps, if we lose this 'ere war, you'll see my name in the papers about it!' A most loyal and lovable soul was Sergeant Shute. I haven't seen him since 1917. He was a butcher in Plymouth before 1914. I hope he has prospered as he deserved to do.

After a day in our new position I developed a fever which was clearly malarial but which the Medical Officer was only allowed to describe as P.U.O. (Pyrexia of Unknown Origin). Simultaneously we got orders to move and join up with the rest of the battery on the Struma. The journey would take two days and it would clearly be a nuisance to have a sick man lying about in one of the lorries, so I was packed off to a Field Ambulance. Here I was given 25 grains of quinine and hustled on to a Casualty Clearing Station. Here a further 25 grains of quinine were administered, after which I was put on to a train for a base hospital in Salonika, getting 25 more grains of febrifuge on the way. By the time we reached the end of the journey I was extremely dirty and bearded but entirely free from fever. I am afraid that the hospital staff regarded me as an utter fraud and I was discharged three days later. However, I did get a couple of hot baths and three extremely good egg-and-bacon breakfasts.

On arriving at Orljak we found an attack in preparation to push the Bulgars back from the Struma Valley towards Demir Hissar and the Rupel Pass. The immediate objective was a village called Yenikeui which was duly captured. For some reason the Bulgars laid on a counter-attack nearly ten thousand strong in close formation. All our guns, field, heavy and siege, got right into the middle of them and the attack

was broken up with immense loss. Fifteen hundred Bulgars were buried in the next two days and their remaining forces withdrew to the opposite foothills.

Almost immediately we were ordered to Kopriva, the next bridge up the Struma. It was at the bend where the river, after flowing south from Strumnitza and Rupel, turns east to run into the sea near Stavros. Our purpose was to register targets as a preliminary to an infantry attack on the sizable town of Barakli Dzuma and the near-by village of Barakli. But by now the rainy season had come. Our lorries and animals churned up the rich alluvial soil into mud a foot deep and we were pretty well immobilized. However, we were passably fed and we could produce a regular four at bridge. But for two months our greatest delight was the pantomime Aladdin produced in a large barn in the village of Kopriva. This was the work of the personnel of a London Field Ambulance and in my view then and twenty-five years later when I read it in print, it came very near to genius. Most of the lyrics I still know by heart. Perhaps the gem of them all was a parody on the Lord Chancellor's song in *Iolanthe*:

> Critics expert
> Boldly assert
> Peace will be signed by next September.
> I hope it may.
> However, they
> Said the same last year, I remember.
>
> Who did? Who did? Who did? Who did?
> Bottomley did, I remember.
>
> Long is the lane that never turns,
> Hope is the brightest star that burns;
> Plague on this war, it gives us scope
> For lots of fatigues and too much hope.

To get to the theatre meant walking through the deep mud for over a mile. Nevertheless there were very few men in that neighbourhood who did not make the journey every ten days or so.

In the Struma Valley the wet season is short and by February the earth had dried up and we managed to make a football pitch and to collect an extremely good battery Soccer XI. I was the only officer in the side and I kept goal. Our star performer was the centre half, a Scottish miner. His methods were thrusting and vigorous and when we heavily defeated the Field Ambulance (of the pantomime) team they attracted some protest. In the return match we were very gentlemanly but we won all the same – though by a smaller margin.

In the early spring operations across the river became possible and we supported the infantry in the capture of Barakli Dzuma, half way across the valley. Later on we moved two of our guns out to Barakli with a view to covering an extension of the advance. But in the end we returned to Kopriva with nothing achieved except our best sergeant killed and two or three men wounded. By now the malarial season had come again and we were sent back to the foothills above Orljak. The routine here was tedious to a degree and for me it consisted mainly in taking my turn in an Observation Post where all I could see in the plain was the alternation of patrols carefully timed so as to avoid each other, the main forces having been withdrawn to their respective foothills twenty miles apart. Thus both sides were subjugated by the mosquito. So little like war was it that one of the Infantry Divisions held a horse show at which both the British C.-in-C. (Sir George Milne) and the Generalissimo (General Sarrail) attended. These two potentates thoroughly disapproved of each other – so the story went. The former wanted to make Macedonia an important theatre, the latter wanted to reduce it to a farce, and occupied himself only with such important matters as the allocation of the *maisons tolérées*. However, on the occasion of the horse show Sarrail definitely scored a point. As he was met by Sir George Milne he grasped him warmly by the hand and said, 'Ah, mon général, ça va, comme en Angleterre.'

For that summer all that comes back to me are a trip down the Struma to the site of Amphipolis for a shoot in collaboration with the Navy, very nearly being caught asleep in the Observation Post by the Corps Commander, some Corps boxing contests in which one of our men was the runner-up in the heavy-weights, and of our support-

ing a small brigade attack further down the valley. I also began to teach myself to read Italian.

At last my interest was aroused by a copy of an Army Order calling for volunteers with technical qualifications (of which mathematics was specified as one) to go home and replace men who were thirsting to exchange technical work in England for fighting. I did not much want to do any more mathematics but I imagined that if I could only get home I would have a better chance of being sent to France. So I sent in my name and I wrote a very impressive account of my own achievements and qualifications. In the end I was one of the three chosen from the Salonika Army – I now suspect because my Commanding Officer was more than willing to spare me – and at the end of October I started off home for a course at Woolwich. So many of the troop-carrying transports were then being torpedoed that an overland route had been prepared – from Salonika to Bralo by rail, from Bralo by a newly built motor road over a spur of Parnassus to Itea, by sea from Itea to Taranto, by rail from Taranto via Faenza and the Mont Cenis to Cherbourg, and finally by sea from Cherbourg to Southampton. At Itea we were very close to Delphi but were not allowed to go there, though later parties were. All the same I was thrilled by a journey which took us round the base of Olympus, through the vale of Tempe, near to Thermopylae and over Parnassus down to the olive groves of Kirrha, and I count it as a definite element in a serious attack of delayed Hellenism ten years or so later. Incidentally, during my period in Greece Venizelos had set up his Provisional Government in Salonika and King Constantine had been expelled from Athens but neither of these events made any impact on my mind at the time. Indeed the general picture which I have painted of my service in this theatre shows how unimportant and futile it all seemed to be then. Nevertheless Sir George Milne was right and, after Sarrail had been replaced by Franchet d'Esperey, he was proved so, for the first collapse among the Central European powers took place on this front.

From Southampton I stole thirty-six hours to see my parents in Bournemouth and then reported to the Ordnance College at Wool-

wich. The Commandant was looking at a document which I recognized as my testimonial to myself. After a bit he said, 'You seem to be a very clever fellow. Aren't you a little wasted at the Treasury? Have you ever thought of taking a Regular Commission?' I was a bit dumbfounded at this but not so much as I was when a day or so after the regular mathematical instructor asked me, 'You are a wrangler, I believe. Can you use a slide rule?' After this start, however, I found the course an interesting one, there were lots of men of like passions to myself on it, the Royal Artillery Mess was most comfortable (though I never ceased to resent the rule which confined real eggs at breakfast to Field Officers) and we had lots of time to go to theatres and concerts in London. About the only fly in the ointment was the *hubris* of the wartime entrants to the Horse Artillery, but I dare say that I did not pass this over in complete silence. At the end of the course – indeed a little before the end – I was sent off to the Office of External Ballistics where I spent the rest of the war making range tables and fuse scales. It was interesting work which exercised without tiring the brain, but the best thing about the office was the congenial companionship. The head of it was a Regular Lieut.-Colonel, the military staff consisted of G. W. Dunkley, now the Second in Command of the Iraq Petroleum Company, R. V. H. Roseveare, afterwards head master of Cheltenham, and J. E. Littlewood, F.R.S., now the Cayleian Professor of Mathematics at Cambridge. Dunkley had been a wrangler a year or two after me; Roseveare, who was still under 21, had won a senior mathematical scholarship at Trinity, Cambridge, before leaving Winchester to join the Army. He had already been wounded and was not yet fit for active service again. Littlewood was an ex-senior wrangler and already one of the world's best pure mathematicians. We were all very junior in rank and Littlewood in fact remained a second lieutenant till the end of the war. How he got into the Army I don't quite know or how, having got into it, he had so unfailingly found his right niche. Anyhow, the science (though there was in it far too much empiricism really to justify this term) of ballistics had made marked advances as a result of his original researches – though whether the improved range tables we made with the help of his work were ever properly used by

the mass-produced gunners of the last war, I am doubtful. When I first went to the Ballistic Office Littlewood had about worked out his first vein of discovery and was showing signs of taking avoiding action when the Colonel tried to tie him down to sit in an office doing research for regular hours every day. Later on he was called in to diagnose from pure theory the Big Bertha which had started firing on Paris. As far as I remember his purely theoretical explanations turned out to be completely accurate in fact and I know that some experiments in increasing the range of projectiles by applying his theories were successful.

In addition to the four Cambridge mathematicians in the office there were a number of computers to do the duller part of the calculations. These were mostly women and one of them was a Miss Hough, the niece of the then Bishop of Woolwich. She could trace her family back to a common ancestry with Dr. Hough, the President of Magdalen, who was expelled by James II and afterwards held in turn three bishoprics. I at first took a faint dislike to her air of brisk competence. But I soon abandoned this preliminary impression, and I have now had nearly thirty years of daily opportunity to learn how unjust it was.

The ten months in the Ballistic Office were very contented ones – a full day's occupation, plenty of food and amusement and intelligent companionship. Nevertheless when the armistice came on November 11th I was eager enough to go back to the Treasury and I reported there five days later despite the fact that I had not been released from the Army. I was told to go off and refit myself as a civilian and report again for duty on New Year's Day 1919. The War Office Demobilization branch discovered me in February and I was duly discharged and given my gratuity of about £160. The Records branch discovered me only in July 1919 and that by writing to the Treasury asking if I had turned up there!

I have often looked back and wondered what effect on my character and outlook these three years in the Army had. I do not pretend that I made any distinctive contribution to the winning of the war and I often feel rather ashamed that so small a share of its dangers fell to me. I was at the time very irked to find my seniors apparently so wooden

and conventional and so little lacking in an appreciation of my mental calibre. On the other hand I left the Army with a physique which could stand the strain of any amount of hard work and with a brain recovered from its twenty years of forcing. I had met and lived with a far wider variety of conditions of men than I would ever have known in Whitehall, and I found that in all classes they were on the whole reasonable, shrewd and kindly. My horizon had been widened while at the same time my intellectual pride had been deflated. Altogether I believe that these three years were a very fruitful period of my life which stood me in good stead for ever afterwards. Incidentally too I had acquired the beginnings of an itch to see the world.

III

I returned to the Superannuation Division of the Treasury from which I had fled in 1915 and now it was swamped because of the flood of retirements which had been dammed up during the war. But it was dull and not very responsible work. However, my pay had gone up by the ordinary time increments and by a certain amount of war bonus and in addition I was given an allowance of £150 a year for acting as part-time private secretary to one of the Permanent Secretaries and to the Financial Secretary (Mr. Stanley Baldwin). I kept up with some of my Woolwich friends, including Miss Hough. The latter was living with her aunt in a flat at Baron's Court. I occasionally dined there and we sometimes did a theatre, choosing mainly Shakespeare at the Old Vic or Mozart in English by the British National Opera Company. In April 1919 we became engaged and, as the elder Miss Hough had died in the influenza epidemic of that year, we decided to keep on the flat in Baron's Court and live there after our marriage in the summer. This took place at the end of July on the most delicious of summer days in a tiny fourteenth-century church at Broadway in Worcestershire, of which parish her father was rector. Roseveare was best man and the Bishop of Woolwich gave the address. It is very difficult for men to speak with honesty and without mawkishness of their married lives.

What I can say is that July 30th, 1919 was the most fortunate day of my life and that with every day that passes I thank God for the companionship of the wisest woman I have ever known. I am conceited enough to think myself cleverer than she is, I am certainly more obstinate and less equable. But she is full of wisdom, full of courage, compact of kindliness and has never fallen into the sin of ruining her husband by overfondness or too readily believing him an oracle. Nor has she ever attempted to ride him on a tight rein.

In October of the same year I was promoted and as the Civil Service cost-of-living bonus had been largely increased as well we were very comfortably placed. I remained in the Superannuation Division. Even with the extra authority the work wasn't very interesting but its volume was so great that there wasn't much time to think about its dullness. The Treasury had been extensively reorganized. Both Heath and Bradbury had gone, the latter to be British delegate on the Reparations Commission. The new Permanent Secretary was Sir Warren Fisher who was still only 39 and under him were three Controllers – of Finance, of Supply Services and of Establishments. The Treasury was expanded largely (hence my promotion) and Fisher clearly intended to make it more important in the scheme of things though, as he had spent all his life in what had been called a 'subordinate department', he tried to make the Treasury a guide, philosopher and friend to other departments rather than a haughty and disagreeable mentor. This is probably not the ideal place to try to assess Fisher's work at the Treasury, but as his regime lasted for twenty years it is perhaps as good a place as any other.

Warren Fisher was one of the most remarkable men the Civil Service had ever produced and there is no Civil Servant whose personality and work have been more hotly debated both inside and outside the Service. His earlier reputation was that of a man who was at his best in rapidly improvising the machinery required to carry out some new function. He it was who created the first organization for assessing and collecting Super Tax and to him it was largely due that the National Health Insurance Scheme of 1911 got into working order by its appointed day. In these creative processes he spared neither himself nor others and he

was quite pitiless in discarding failures or weaklings. Something of these same characteristics was manifested when during the last war he became Deputy Chairman of the Board of Inland Revenue and had to supervise the considerable extension of our direct taxes for war purposes and in particular the imposition of the Excess Profits Duty. As a native of Somerset House he had a great prejudice against the Treasury for its tutelary attitude towards the Inland Revenue and its habit of unloading on to it the less successful of its senior officers. When he came to the Treasury he must have had very mixed feelings. The outline of the new structure had been settled before he came and it looked as if his main function was to be indirect guidance and co-ordination rather than the vigorous mixture of leadership and slave-driving by which he had made his reputation. Moreover he found himself wanting to break the pride and privilege of the Treasury while at the same time doing nothing to lessen its reputation and influence.

Almost from the start he got himself designated Head of the Civil Service and as such the official adviser of the Prime Minister (the First Lord of the Treasury) on all Civil Service matters. At the same time it was laid down that no head or deputy head of a department and no Accounting Officer should be appointed or removed without the Prime Minister's concurrence. The object of this was not, as has been so often said, to make the Secretary to the Treasury superior to departmental Ministers in choosing their senior officials, but to ensure that all the suitable candidates from the Civil Service as a whole should be reviewed before any such appointment was settled. This meant a great unifying of the Civil Service, for the promising members of it were not thenceforward to be confined to their original departments for advancement. It meant also that the Secretary of the Treasury made it his business to stimulate a search for talent wherever it could be found. To this end also interchanges were made between departments at lower levels, and later on it was laid down that the Treasury should recruit none of its administrative staff directly from the Open Competition but only from those who were showing promise in other departments. Naturally all this involved regular individual consultation with other Permanent Secretaries, who got into the habit of seek-

ing Fisher's advice or help on all their problems and not only those of staffing. This formal recognition of the Permanent Secretary as the Head of the Civil Service has from time to time been attacked as a grave constitutional innovation – largely by retired diplomats. I could never discover any real basis for the objection and on the other hand I was convinced that, at any rate up to the time I went to India in 1934, it had done a lot towards raising the unity, efficiency and prestige of the service. Fisher sought to advance this object in other ways also. He tried to create some outside social life in which all grades and classes could mix freely, department by department and for the service as a whole. The main instrument was the careful organization of Civil Service sport, the acquisition of spacious grounds at Chiswick as the headquarters of this and the arrangement of regular contests with the three fighting services. A not very successful effort was made to institute an annual Civil Service dinner, to be addressed by a senior Cabinet Minister and attended by the professional heads of the other services and *prominenti* from the outside world. Finally he always strove to ensure that the Civil Service should be treated on a par with the Forces in the matter of honours, decorations and customary privileges.

In the first half of his tenure Fisher made a point of favouring youth and energy and there was much rubbing of eyes at the frequent and startling departures from the rule of 'Buggins's turn'. For senior appointments he consulted widely and constantly, and Ministers very generally accepted his recommendations. I thought that he was in those days a good picker of men, though his judgment was by no means infallible. He had blind spots and sometimes he saw so distortedly that his eyes became very red, as the Indians say. But it was very rarely that he would not at any rate hear the arguments against his prejudices and explain in his recommendations to Ministers why he had rejected certain names.

Another point in which he differed from the practice of his predecessors was in relation to the status of the Minister's private secretary. He abjured the earlier view that the official private secretary was a mere Post Office and insisted that he was a vital link between the

Minister and the machine. His business was to see that the office knew all that was going on and might go on in the political world (so far as it concerned the department and most things of course concerned the Treasury) and that the Minister did not decide questions without having the considered official advice before him. Under the Fisher regime then private secretaries tended to be more senior in their departments and they frequently were promoted straight to Permanent or Deputy Secretaryships.

When I went to India in 1934 I think it could fairly be said that Fisher had achieved most of his objects. The Civil Service was more homogeneous, more efficient and of greater influence than it had ever been, and all this without encroaching on the proper responsibilities of Ministers and Parliament.

But even in 1934 there were signs of dangers ahead. Fisher had already become alarmed – indeed almost obsessed – with the dangers of the growing German rearmament. He therefore devoted himself to persuading, in season and out of season, his political masters to rearm as well. He took less and less interest in his proper Treasury functions and in his obsession both his prejudices and his oversights increased. Later, from what I heard, he began to look upon himself as enjoying something of the status of a Minister without Portfolio and also, alas! without any responsibility to Parliament. All this was bound to arouse distrust and resentment in political circles and consequently prejudice against the Civil Service. This was unfortunately intensified when his successor, Sir Horace Wilson, began to occupy a special position between Mr. Neville Chamberlain and his colleagues and undoubtedly some of Fisher's work was undone. How much remained in 1939 when he retired it is difficult to say. During the war the old professional Civil Service was swamped by temporary entrants from business, the law and the universities. And now they are inevitably involved in the proposals to nationalize a large number of industries and to continue irksome controls. Until the waves subside we shall not be able to measure the mean sea level. To sum up this prolonged digression, however, I say that Warren Fisher certainly was a great man and a great establisher of an efficient Civil Service. I know that he was

supposed to have undone some, perhaps a lot, of his own work. But if he did suffer a *dégringolade* I was not there to see it and I prefer to keep my eyes on his undoubted achievement.

It is time, however, to return from this digression. From my marriage in July 1919 to the spring of 1921 I occupied myself with routine but necessary work and a very comfortable and happy domestic life. The political world occupied very little of my mind. Indeed I only saw the Chancellor of the Exchequer once in all this period and had only one bout in the Official Gallery at the House of Commons. So far as our private life was concerned we used to go to theatres and concerts as frequently as we wished and we had expensive but rather conventional holidays. Our main recreation was reading aloud. We started by taking it in turns to read but it was discovered that I was not a good listener so I did all the reading. Four or five nights a week for at least an hour a night covered a very wide range – Gibbon's *Decline and Fall*, Froude's *History of England*, Macaulay's History, most of G. M. Trevelyan's volumes, Carlyle's *Cromwell* and *French Revolution*; all Jane Austen, all Thackeray's novels, most of the Brontës, some Dickens (but no Scott), a fair amount of Kipling, a little Hardy, nearly all of Conrad, most of Henry James; and lots of miscellaneous works, including some of the moderns like Somerset Maugham, Edith Wharton and Charles Morgan. We very rarely read poetry, however, and then only the standard collections of lyrics. I have forgotten when I lost the habit of reading aloud – probably when I got myself absorbed in the chores of a private secretary to a Minister – but I remember that the immediate occasion was a complete and utter breakdown over Carlyle's *Frederick the Great*. Reading aloud was a great joy while it lasted and what a severe test of a book! Personally I would not admit any work to the title of immortality unless it passed this test triumphantly. From time to time in later life we have tried to revive the habit but somehow or other the magic has not so far been recaptured.

During this eighteen months or so there was little sign that Warren Fisher was aware of my existence. However, his eyes must have ranged further than I knew, for at the beginning of April 1921 he appointed me his private secretary. A few weeks later Mr. Bonar Law

was obliged to resign from the Government on account of health and Mr. Austen Chamberlain succeeded him as Leader of the House of Commons. This created a vacancy at the Exchequer which was filled by the translation of Sir Robert Horne from the Board of Trade. Fisher persuaded Horne to take me as his Principal Private Secretary. And I got an addition of £300 a year to my salary.

My mode of life was now fixed for nearly ten years. The Chancellor of the Exchequer changed from time to time, the complexion of Governments changed but I went on and on in that back room at the Treasury and became almost as much a part of the Chancellor's office as the William and Mary inkstands and the Georgian chairs and board room table.

CHAPTER THREE

PRIVATE SECRETARY—HORNE

I BEGIN this new phase of my life with a short sketch to show how the Treasury worked in relation to its Ministers. Broadly speaking, the Chancellor of the Exchequer devolved on to the Financial Secretary (in addition to the general function of understudying) all the business connected with the presentation of the Estimates of expenditure to Parliament and all but the most important questions relating to Civil Service organization and conditions of service. He kept in his own hands all major matters affecting the Budget or monetary policy as well as external finance which in fact meant German Reparations, the Allied debts to the U.K., and the U.K. debt to America. He charged himself with keeping close relations with the Bank of England and made a point of seeing the Governor two or three times a week. Over this vast range, papers had to be submitted to him for decision, drafts of set speeches or of memoranda for the Cabinet had to be furnished and briefs for debates in the House of Commons. On the official level the Controllers of the three branches into which the Treasury was organized had, in the interests of dispatch, the right of access to the Chancellor without going to the Permanent Secretary first. Outside the Treasury there were the two Revenue Departments (the Boards of Inland Revenue and of Customs and Excise who dealt with direct and indirect taxation respectively) and these submitted their cases and briefs to the Chancellor of the Exchequer through the private office and not through the departmental Treasury. It was the business of the Principal Private Secretary to take a pre-view of all drafts and memoranda, to make certain that there had been no failure of co-ordination between the Treasury branches or between the Treasury and either of the Revenue Departments. He was (or so I held) entitled to offer suggestions to the authors of the documents for making them more acceptable or convincing to Ministers or more calculated to meet their requirements. In my view, the private secretary was never justified in revamping the

work of his official superiors and the most I ever permitted myself was to give the Chancellor a short written summary of the case with the crucial passages in the actual memoranda flagged for easy reference. I could also supplement the official recommendations by oral exposition of them, and if the Chancellor was still unconvinced I could get him to send for the expert concerned. In course of time one actually acquired great knowledge and experience and in consequence great influence both with the Minister and with the office hierarchy. But, if this was to be retained and if the constitutional proprieties were to be observed, it was essential that the private secretary should not 'shoot a line' of his own but should strictly confine himself to being an efficient link between the Minister and the machine. And, needless to say, the last word was always with the Minister — subject to the Cabinet and to Parliament.

Inside the private office the Principal Private Secretary looked after all the Cabinet, Budget and pure finance subjects, leaving to his assistant the mechanics of collecting draft answers to Parliamentary questions and of correspondence with members of Parliament and the outside world generally. But the assistant had to have a good idea of what was going on over the whole field, and to be prepared to take his principal's place at a moment's notice. My assistant was J. D. B. (now Sir Donald) Fergusson. He afterwards succeeded me and later became Permanent Secretary, first to the Ministry of Agriculture and Fisheries and then to the Ministry of Fuel and Power. We lived together in the same room for nearly ten years. I thought, and like to think still, that we were quite a powerful combination. Certainly Donald was a delightful collaborator and he put up with my exactions and tantrums in the most self-effacing way. And it speaks volumes for him that in all our ten years we only had one serious quarrel and that was entirely my fault. Looking back over the years I am disposed to think that I ought to have given him a much better run for his money. But if he felt this, he never showed it and anyhow he got a very good run after I had gone. He continues to be a close friend — one of the few of whom I am prepared to ask favours without hesitation or shame.

Naturally the feature of the Treasury year is the Budget. In my day

it was the practice, shortly after Christmas, to make a forecast of the out-turn of the current Budget and a guess at the account for the year beginning on April 1st following – the latter on the basis of already approved expenditure and existing rates of taxation. After this the ordinary process of examining Estimates threw up any new projects for substantially increased expenditure. Next, by gradual discussions, first between the Chancellor and the suppliant Ministers, and then between the Chancellor and his Treasury and Revenue advisers, there emerged a scheme for the following Budget. Sometimes it involved new taxation and sometimes remissions, but anyhow it was pretty well settled – subject to Cabinet approval – soon after the results of the closing year were available on the evening of March 31st. In the next stage the various branches and departments produced *disjecta membra* of a Budget speech, and these were assembled into an articulated organism by the Controller of Finance. This the Chancellor could alter or if he liked entirely recompose. Mr. Churchill not only produced a Budget speech which was entirely his own but usually wrote all the key passages before he had seen the official version. Shortly before the date fixed for opening the Budget, the Chancellor expounded it to the Cabinet and thereafter the speech could be typed in its final form and the necessary supporting Parliamentary documents sent to the printer.

The Budget[1] was opened in Committee of Ways and Means, on resolutions embodying all the new borrowing or taxation proposals and continuing those taxes which the Legislature had by long custom been willing to sanction only for one year at a time. On this opening stage the debate was by convention general and the resolutions were not examined in detail. They were so examined when they were reported to the whole House. At the conclusion of this stage the dummy Finance Bill was formally brought in. Some weeks later the full text of the bill was circulated, after which it went through the whole procedure appropriate for bills originating in Committee of Ways and Means – Second Reading, Committee of the whole House, Report and Third Reading. All stages took place on the floor

[1] From the time of the second Budget of 1947 the procedure described in this paragraph has been somewhat telescoped.

of the House, but were exempt from the operation of the usual time limits, and the Committee stage in particular frequently involved late or even all-night sittings. In Committee or on Report, members could put down any amendments they liked so long as these did not increase the charge on the Exchequer or the burden on the subject. Briefing Ministers was an arduous business, and every year we produced scores of printed pages for the purpose. Many amendments repeated themselves year after year and with these old stagers the Chair ruthlessly exercised its right of selection — a procedure known as kangaroo-ing. Officials had to be present in the Gallery behind the Speaker's Chair (albeit in relays) to furnish supplementary notes on any unexpected or uncovered arguments which cropped up. The function of the Minister's Parliamentary Private Secretary was to oscillate quickly between the bench behind his master and the Gallery whenever such contingencies arose. From first to last the Budget and Finance Bill occupied about three months in the House of Commons and about the same number of hours in the Lords. The officials of the Treasury and the two Revenue Departments were thrown much together during this time and we had the fullest opportunity of getting to know each other. Relations were easy and kindly and some of my most valued friendships began in those days.

What I have called this new phase of my life lasted for nearly ten years. It covered five incumbencies of the office of Chancellor of the Exchequer and part of a sixth. My first master was Sir Robert (afterwards Lord) Horne and his tenure lasted for eighteen months. His political life in effect ended with that of the Coalition and the remainder of his career was spent in business. He was presumably successful in these later ventures, for he was either chairman or a director of a large number of companies, and left a fair-sized fortune. Until his death during the second World War in 1942, I used to see him from time to time and I never failed to appreciate his cordial cheerfulness and new selections from his store of anecdotes and reminiscences.

Horne was followed by Mr. Baldwin. He was Chancellor of the Exchequer for only about nine months and for three of those nine he was Prime Minister as well. Very shortly after he became Prime

Minister, he decided upon a General Election in order to provide himself with a mandate to introduce Protection and a wider measure of Imperial Preference. Just before the election he had vacated the Treasury in favour of Mr. Neville Chamberlain who was, after the briefest possible period, displaced by Mr. Philip Snowden. Nine months again and Mr. Ramsay MacDonald's Government also indulged in a premature appeal to the country, with the result that the Tories came back with a large majority, and in a second Baldwin Government Mr. Winston Churchill found himself Chancellor of the Exchequer to his own and everybody else's astonishment. With Mr. Churchill I had nearly five years – and very good years they were – though they were at times exciting, at times almost vertiginous and nearly always laborious. The Tories were defeated at the General Election of June 1929, and Mr. Snowden returned to the Exchequer. I stayed on with him until November 1930 when he appointed me Chairman of the Board of Customs and Excise, from which I was translated to the Inland Revenue a month later. Henceforth I was to have more highly paid and, I suppose, more responsible posts. None of them, however, until I became Secretary of State for War in 1942, were so varied, so full of interest or provided such a wide range of experience and acquaintance as my private secretary job, and I often look back to the fourth decade of my life with a faint nostalgia.

Of my five chiefs, only Sir Robert Horne ended his political life and his association with me at one and the same time. In his case alone, therefore, does my picture represent a finished judgment or rather, I should say, that only in his case was there no new material on which to revise the judgment I was able to form during the time I was associated with him as private secretary. Mr. Baldwin had two more terms as Premier and took a dominant role in decisions which have affected the world's history and whose wisdom or propriety are likely to be debated for many years to come. Rarely can there have been a Prime Minister of whom such diverse views have been held and indeed, of him more than of most people, it can be said that his character and personality were not all of a piece. Later on I shall try to give my own impression of the man, but it will be an impression based mainly on

happenings long after I had ceased to be his direct servant. All the same I was able to see a good many of these happenings from a place close to the stage and moreover, so long as I was in England, it was rare for a whole month to pass without my getting a chance of a talk with my former master.

It is obvious that I could not have obtained a very intimate picture of Neville Chamberlain during his short period as Chancellor. I did, however, have some occasion to see him when he was Minister of Health in the second Baldwin Government, for he was associated with Mr. Churchill in the implementation of two pieces of major policy. And I was one of his principal officials when he became Chancellor of the Exchequer again at the end of 1931. But after that I had little personal dealing with him. I had one private letter from him while I was in India and one telegram exhorting me not to pursue so vehemently a dispute with the Home Government in which I was engaging myself. I saw him for a short time when I was on leave from India in 1937 and after he had become Prime Minister. I heard him make his heart-rending confession of the failure of appeasement in the House of Commons on September 3rd, 1939, and I had a brief talk with him after he had given way to Mr. Churchill in 1940. Unlike Mr. Baldwin, his character was fixed and undeviating, and none of my later meetings affected the almost too neat and complete figure that I had drawn of him in 1923.

More than half of my period as private secretary was spent with Mr. Churchill. He lasted nearly five years and introduced five Budgets. After he gave up office in 1929 he drifted away from his Conservative colleagues over India and then fell into bitter conflict with them over rearmament and the appeasement of Hitler's Germany. But when his fears were realized in 1939 it was impossible for Mr. Chamberlain not to put him in the War Cabinet, and equally he was the inevitable successor when Mr. Chamberlain resigned in 1940. In 1942 I became Secretary of State for War in Mr. Churchill's Government and continued as such for more than three years. I shall thus have two pictures of Mr. Churchill to present but I shall be very surprised if they turn out to be in any important respect contradictory. In the later

sketch some features took on a heightened colour or a sharper contour, others seemed less prominent. But there is no doubt that both are of the same man and of a man who changed practically not at all in the intervening years.

11

The eighteen months of Horne's tenure as Chancellor of the Exchequer were very troubled ones. They started with a trade slump and a prolonged coal stoppage; they closed in our being brought to the verge of war again in the Middle East, from which disagreeable prospect came the break-up of the Coalition Government and a General Election. In between there was a succession of crises on the subject of German Reparations; there was the failure of coercion in Ireland, the complete reversal of policy there culminating in the Treaty of 1921, and the uneasy and indeed bloody beginnings of the Irish Free State; there was the Greco-Turkish War with its disastrous issue in the massacres at Smyrna; there was Lloyd George's heroic failure at Genoa to reintegrate Europe so that trade could flow again; and there was the growing revolt of the Tory Party against being led into policies which their whole tradition and history abhorred. And as a falsetto on top of these deeper notes, there was the constant screech for reductions in Government expenditure and the level of taxation.

The year before Mr. Austen Chamberlain had imposed heavy tax increases in order to ensure that over the next few years revenue and expenditure would balance, after providing a sinking fund large enough to sustain a continuous policy of funding the threateningly large volume of floating debt. The immediate post-war boom had resulted, both in the United Kingdom and in the U.S.A., in a violent rise of prices, and the 1920 Budget plus the concurrent increase in Bank Rate was intended to bring the inflation under control. The strong measures taken had by the autumn turned the inflation into a headlong deflation. Prices began to collapse from about the beginning of November 1920, unemployment grew alarmingly and it became clear that the cessation of the Government control of the coal mines,

and their return to private owners, would be accompanied by proposals for substantial wage reductions. The miners were certain to resist those reductions, and they were determined to fight for a continuance of the war system under which wages were settled on a nation-wide basis and not district by district. The miners and the owners were poles apart when control ceased on March 31st and this despite an offer by the Government to contribute £10,000,000 to ease the wage cuts. The strike began the next day.

It was Horne's business, as President of the Board of Trade, to try to bring this disastrous stoppage to an end, and he was still immersed in it when Budget day came on April 25th. So much so indeed that the Budget speech was actually delivered by Austen Chamberlain who, in any case, had had the main shaping of the proposals contained in it. In the preceding year more than £250 millions had been applied to paying off debt and practically the only external liability outstanding was that to the United States of America. Nevertheless, the debt position as a whole was a very anxious one. It is true that interest on our borrowings from America had been suspended for three years in 1919 but the principal was in theory payable on demand. And altogether we owed something of the order of £8000 millions of which well over £1000 millions was in the form of short-term obligations. The long-term borrowing rate was getting on for six per cent and it was essential to bring this down and keep it down. For this purpose the pundits judged it necessary to maintain an annual sinking fund of about £100 millions for some years to come. Taking everything foreseeable into account the estimates for 1921-22 showed that this amount would be forthcoming, provided that no reductions of taxation were made beyond the repeal of the Excess Profits Duty announced some months earlier. But before long the revenue from sales of surplus war stores would have disappeared and we must therefore undertake at once a serious campaign for the curtailment of expenditure. This was in essence the Budget of 1921-22.

In the last week of April Horne had to announce that negotiations in the coal industry had come to a dead stop. He at once took over from Mr. Austen Chamberlain the detailed debates on the Budget.

He was also at this time heavily engaged in an Allied conference which had been called in London, at the instance of the French, to consider a number of defaults which the Germans were held to have committed in the spheres of Reparations, Disarmament and the trial of War Criminals. The outcome of this conference was an ultimatum to Germany on May 5th, with the threat of the occupation of the Ruhr beginning a week later unless the demands of the ultimatum had by then been accepted. So far as Reparations were concerned, these demands were contained in the Schedule of Payments, and as we shall hear about this again from time to time, it may be as well to say what was in it. It will be remembered that the Treaty of Versailles had made no attempt to assign a definite figure for the German Reparation liability. It had laid down certain principles upon which the debt should be calculated, and had set up an inter-Allied Reparations commission to determine it and also to assess what Germany should actually pay in the light of her economic capacity. The Reparations Commission did not determine the debt till April 1921 when they fixed it at £6600 millions gold. This was far beyond Germany's capacity to pay as estimated by the British Treasury in 1918 (£2000 millions gold) but it was far less than the figures which had hitherto been the stock-in-trade of inter-Allied conferences. Sir Basil Blackett was prompted therefore to put forward an extremely ingenious plan which made it look as if the full debt was being exacted but which nevertheless was reasonably adjusted to practical possibilities of payment. This plan became the Schedule of Payments. Under it the Germans were to deliver three series of Bonds all nominally bearing interest at 5 per cent. The three series (known as A, B and C) were to the face value of £600, £1900 and £4100 millions respectively. They were to be serviced by annuities amounting to £100 millions gold and the gold equivalent of 26 per cent of the value of the German exports, and the bonds were not to be issued until the annuities were sufficient to cover their service. On the basis of the 1918 Treasury estimate, the A bonds were fairly secure and there was a chance that the B bonds were so too, but it should have been obvious from the start that the C bonds were worthless and they were always so regarded

by the British. Unfortunately the French were never prepared openly to regard the C bonds as waste paper and they continually held them over the Germans *in terrorem*. And so long as they were considered to have a potential value they were in fact a mortgage on Germany's future prosperity and, as such, an inducement to Germany to try to evade her obligations. Of course, if the French could have been brought within a reasonable period to write off the C bonds, many subsequent disasters might have been avoided, but in justice to France it should be pointed out that in this event her share of Reparations would have been little more than the sum of the amounts she owed to the United States and Great Britain, and there had so far been no indication of a willingness to remit these. France would therefore, so far as she could tell, have herself to bear the whole burden of the loss and devastation she had suffered. And she could always point to the fact that the Germans had accepted without reservation the obligations in the Schedule of Payments.

During the second quarter of 1921 the Finance Bill pursued its appointed course through Parliament. The main subject of the more general debates was the demand for 'Economy', which was echoed outside in the 'Anti-Waste' campaign of the *Daily Mail*. The detailed discussions in Committee related mostly to the clauses repealing the Excess Profits Duty and more particularly to the question of those concerns which had paid large sums during the war but had now begun to make severe losses. On the detailed taxation questions, Horne showed himself very ready to listen sympathetically to the difficulties and demands of the trading community. At times, indeed, I thought that he was too sensitive to their woes and I daresay I said so. But, with the lamentable results, which the coal strike was producing daily before his eyes, the Chancellor insisted on making a number of easements. Incidentally, on the Report Stage of the Finance Bill, the House carried against the Government an amendment exempting Co-operative Societies from Corporation Profits Tax. The amendment was proposed by a Conservative and widely supported by other Conservatives and the Liberals. Not long after, the Co-operative movement became an integral part of the Labour Party!

The discussions on Economy it may be of interest to describe in some detail. Anti-waste campaigns are endemic in our country. They have all had two features in common. In the first place the demand for retrenchment is invariably a general one. Nobody disputes that expenditure must be reduced. There is no agreement as to which particular items shall be cut. There is, however, or rather was, one exception to this, which furnishes the second immutable feature: everybody was in those days convinced that there were too many Civil Servants and nearly everybody was sure that they were paid too much.

In conjunction with the 1921 Budget the Treasury had sent to all departments a circular stating that the Supply Estimates for the following year would have to show an all-round reduction of 20 per cent, and asking that provisional figures should be furnished by July 31st. This circular was brought up on the Second Reading of the Finance Bill. The Left complained that, after a 'war to end war', the armed forces were costing too much and gloomily proclaimed that the trade slump plus the coal strike had already distorted beyond recognition the Budget forecast of a month earlier. The Right were gloomy too, but their complaints related to the Civil Service war bonus, bloated Government Departments and the rising cost of education. There was on all hands a demand that the House of Commons should exercise a more direct and detailed control over expenditure in the manner of the French Chamber under the Third Republic. But the Government firmly retorted that it was the business of the Executive to propose expenditure to the House and that of the House to approve, reduce or reject the demand. This interchange is much less banal than it appears, for it raises bluntly one of the main issues in that contest between the Executive and the Legislature which goes back to Simon de Montfort, if not to Runnymede. I am not sure that the forces in this fight are not at this instant redistributing themselves after the manner of Chinese war-lords. Since the Revolution of 1688 our constitution has developed in such a way that it places fairly and squarely the onus of carrying on the affairs of the country on the shoulders of an Executive, which commands a majority in the House of Commons, and this has always seemed to me one of its chief merits.

On the face of it the House of Lords has considerable powers of interference amounting to a right to delay non-financial legislation for as much as two years,[1] but in actual fact they limit themselves to making minor amendments in bills passed in the lower House. In practically every sphere the initiative is with the Executive. With the curtailment and indeed, as at present, the abolition of private members' time, the Government enjoys a monopoly of legislation. A private member can debate the principles of a bill, he can even propose amendments to it, but generally speaking they have no chance of acceptance if they trench on any of the main provisions. In financial matters only the Government can formally propose expenditure or taxes. The back-bencher can move a reduction of either when occasion offers — on the Supply Estimates or the Finance Bill — and in theory it is always open to the House to support his view against the Government's. But no collection of private members is likely to press their view to the point of defeating the Government, especially if it has announced its intention of making the vote one of confidence. If the private member wants to bring about new or increased expenditure or taxation he can speak in favour of it on one or other of the innumerable opportunities for general debate which the procedure of the House offers, and he can try to work up a Lobby which is so vocal that the Government finds it expedient to defer to it. But, at any rate until the last year or so, this was a tedious process and one which very rarely reached final fruition. In the realm of administration also the role of the private member is practically confined to the critical and hortatory. He can ask questions or speak in debates concerned with the departments in which he is interested, or move the adjournment of the House, in order to expose what he considers to be scandals and to bring the fierce light of common day to bear on the way in which the Government are managing their business. But he has no positive role in administration and he can only operate by persuading some Minister to give orders in the sense he wishes. I have, however, noticed a growing tendency for the House of Commons to encroach on the territory of the Executive, to demand

[1] Legislation is now before Parliament to reduce this period in effect to one year.

to be allowed by means of Standing Committees to supervise the work of Government Departments or to have a more actively determining voice in expenditure or taxation. For all the time that I was either a Civil Servant or a Minister I was convinced that this tendency was one to be resisted. Unless Ministers were within reasonable limits in a position to make their will effective, government would become impossible. In the U.S.A., Congress has power to interfere much more directly than with us and this was true of the Chamber in the France of the Third Republic. In neither case have the results been happy. In the Third Republic Governments were short-lived and feeble and often devoid of principle; in the United States we have seen an almost continuous series of constitutional deadlocks. But in the circumstances of today I am not quite so confident in my view. A Government which obtained less than half the votes cast at the General Election has a majority of 200 in the Commons. The programme it put forward was drastic and indeed revolutionary. Many of its supporters want to move to the Left even more rapidly than the Government. The fact that the initiative in expenditure and taxation is with the Government is some, but not at all an effective, brake on a runaway. Outside finance the Government can, by the aid of closures and guillotines, get legislation through the lower House with no more than perfunctory discussion, and the House of Lords by its self-denying ordinance is debarred from amending it in any but minor respects. The Legislature is not now resisting an Executive which is seeking to tyrannize over the people; the Executive plus the lower Chamber is tyrannizing over a full half of the people, with nothing but a self-emasculated House of Lords to give them a moment's pause. Clearly to assign to the House of Commons or to Committees of it chosen on a proportionate basis more power over the Executive is no remedy for such a disease. Indeed I am disposed to think that it is an exaggeration of it. Some remedy is, however, needed and at the moment it is very difficult to see one. I imagine that nemesis, at all events, is not far off. For the pressure of the House on the Executive to hasten far-reaching policies of state intervention has not been accompanied by a willingness to abstain from interference in detail in administration and

finance — indeed the itch to interfere is stronger than ever before. And the result of these two incompatible stresses on the Executive and its agencies may easily be a breakdown of the machinery of government. But chaos cures no ills. Rather is it the case that administrative breakdowns too often give the excuse for the seizure of power by a revolutionary minority.

But I have been tempted too far afield and I must return to the economy campaign of 1921. Towards the end of July the Chancellor of the Exchequer met the evident wishes of the House and the Press by superimposing upon the reduction of the Civil Service cost-of-living bonus, which was due on account of the decline in the cost of living, an extra cut for the more highly paid officials. The automatic fall produced a saving of £11 millions a year, the special amercement produced not more than half a million. It really was an absurd plan but everybody was happy — except the more responsible and harder-worked Civil Servants. A few days later he announced that the Government had called in the retiring Minister of Transport, Sir Eric Geddes, to preside over a committee of business men who would (in conjunction with the official Treasury machine) examine the provisional estimates for the following year and recommend reductions in them beyond those proffered by the spending departments. It will be remembered that this instrument was commonly designated in the newspapers the 'Geddes Axe'. An axe is not a very delicate instrument and the next year the Treasury reverted to inculcating economy by means of a circular letter. This prompted the witty Controller of Supply Services at the Treasury — Sir George Barstow — to produce a neat epigram on the comparative merits of a Geddes axe and a circular saw. What the Geddes Axe achieved we shall see later on.

III

The spring and summer of 1921 were very active politically. Allied Foreign Ministers met in Paris to discuss Upper Silesia and the possibility of mediating between Greece and Turkey; the U.S. issued invitations to a conference in Washington to consider the limitation

appearances in the wings emerged when the full meeting of Finance Ministers took place, for, though M. Doumer signed the agreement which the experts had reached, he made it clear that it was to be conditional on ratification by the French Government as a whole. In point of fact it never was ratified, for M. Doumer came over to London in September to explain somewhat shamefacedly that his Government could not accept it. We did get an appreciable share of these early German payments but only presumably in respect of our undoubted claim to the reimbursement of our costs of occupation.

During this conference I noticed how skilfully M. Theunis combined the role of a tenacious defender of his country's formal rights with that of honest broker between the larger claims of France and Great Britain. At later conferences this first impression was amply confirmed. The visit to Paris established me with the Chancellor. Now that the more pressing of his anxieties were removed, I saw him in his true light. He was quick and intelligent, good-humoured and conciliatory, an extremely competent advocate, most loyal to his subordinates and appreciative of what they did for him. Moreover he carried considerable weight with the still all-powerful Prime Minister. I suppose it could be said that he liked the good things of the material life – who doesn't? On the other hand he was always doing kindnesses to his friends and he was devoted to his sisters and his mother – to whom he wrote every single day of his life. He was a *novus homo* in that he appeared in the House for the first time as a Minister of the Crown and I have always supposed – indeed my own experience twenty years later verified it – that such men start with a prejudice against them on the part of those who have gone through the toil and moil of many contested elections and of years of back-bench loyalty and assiduity. Besides being a new man, Horne had a slightly harsh voice which was apt to give a false impression of him. But long before he went to the House of Lords he had become a very popular member of the Commons, not only because the House had come to recognize his fundamental considerateness, but owing also to his quite unusual merits as a mimic and a raconteur. I still laugh at his imitation of Curzon rejecting with contumely the claims to advancement of a

certain politician on the ground that he had married 'a woman, of colossal fortune, it is true, but of calamitous appearance'. I remember too his writing to me when in the ordinary course of Civil Service progress I became a K.C.B. at the beginning of 1932. He told of the small boy who asked his mother what God's Christian name was and on getting a most evasive and unilluminating answer announced firmly, 'Oh! well, I shall call him Percy.' The allusion was to the name I was given at my baptism, the name by which I was known to my family and the name which was dropped in 1932 in favour of James. My wife from the beginning has refused to call me anything but 'P. J.' Anyhow, from Paris on I never had a sour word from my chief and I was genuinely grieved at parting when the Coalition Government broke up fifteen months later.

At the main conference of August the achievement was not spectacular. The question of Upper Silesia was referred to the League of Nations; the Allies decided to remain neutral in the Greco-Turkish conflict but issued to the Greeks, who were at this time still advancing, a warning lest in seeking too much in Turkey they should overreach themselves and ultimately come to disaster; and some arrangements were made to bring a limited amount of help to Russia, where millions of people were starving as a result of a combination of crop failures and post-revolutionary disorganization.

When the House met again in October there was serious alarm about unemployment and almost the first business was a full-dress debate on it. The Prime Minister himself opened the debate. He described the slump as the worst since the Napoleonic wars and gave the number of unemployed as a million and three-quarters. He described various remedial measures such as the addition of Dependants' Allowances to Unemployment Insurance benefits, new expenditure on Roads, Export Credits, Trade Facilities guarantees and so on. He also said that economy must be enforced so that taxation could be reduced, and proclaimed that production costs must come down even if this should unfortunately mean that wages rates would have to be cut in the process. There was no word of the now familiar doctrines attributing unemployment to currency causes. Indeed the only

mention of monetary factors was a stern refusal to contemplate anything in the nature of inflation.

By this time the Greeks had been brought to a standstill on the Sakaria river and it was certain that sooner or later they would have to withdraw. M. Gounaris was in London looking for loans and failing to get them. News was beginning to seep through of the hideous Turkish massacres in Armenia, and early in November came the disturbing information that the French had, by the hand of M. Franklin-Bouillon, made a separate peace with Kemal at Angora. Later that session the diehards moved a vote of censure on the Government for entering into negotiations with the Sinn Fein leaders, but they only mustered forty-three votes in the lobby as against 439 on the other side. There was another economy debate but both the attack and the defence were made to the old familiar tunes. Nothing was said about the progress of the Geddes Committee.

Then came the Irish Treaty and the summoning of a special session to approve it. The Government speakers were the Prime Minister, Mr. Baldwin, Mr. Churchill, Sir Laming Worthington-Evans and Mr. Austen Chamberlain. Mr. Bonar Law emerged from retirement to support the treaty, though somewhat wryly, and the diehard dissidents could register no more than fifty-eight votes. In this short intercalary session it was announced that Germany had asked for the postponement of the next two Reparation payments. The payment of the £50 millions on August 1st had been a great strain on the exchange and the value of the mark, which had been 240 to the pound in May, had declined to 450 to the pound by September and 1150 at the end of November. The Supreme Council was therefore summoned to meet at Cannes in January 1922. It was Lloyd George's intention at this conference to offer to the French and Belgians some sort of guarantee of military assistance in the event of German aggression, and he started by opening this up with M. Briand, leaving the financial discussions to Horne, the French representative this time being M. Loucheur. I remember that these were getting nowhere and the Chancellor complained to Lloyd George of the uselessness of debating such matters without in the least knowing what the Germans could

and would do in the way of fulfilment. The Prime Minister therefore proposed that a German delegation should be summoned to Cannes and a few days later there arrived Dr. Walter Rathenau with a large staff of experts. This enlargement of the international invasion of Cannes at the height of the season placed a serious strain on accommodation and amenities, and at the Hotel Carlton where the British and French were quartered there was a series of breakdowns in the plumbing arrangements. Soon after his arrival Dr. Rathenau was invited to give to the Supreme Council an account of Germany's financial and economic position, and there followed one of the most extraordinary *tours de force* I have ever witnessed. He gave a short introductory speech in German which was formally translated into French and English. He then embarked on an exposition which lasted, with an interval for lunch, the rest of the day. Not one word of it was delivered in German; each paragraph was spoken in French and English in turn. Whatever the delegates thought of the case presented, they were clearly impressed by the presentor. Rathenau was a man of considerable intellectual stature and, I should say, a connoisseur of art. In appearance he was very much the cosmopolitan Jew, though in fact he was one of the biggest and most efficient of the German industrialists. What he was doing in the political galley I do not know or whether he had any clear principles of policy in his mind. I have heard it said by serious authorities that he didn't really understand where his readiness to resort to printing currency was leading Germany. The French on the other hand believed that this was all part of a deliberate plan to serve two ends – to make it demonstrably impossible for Germany to pay Reparations, at any rate in cash, and to inflate away all the fixed interest charges on German industry. Similarly it is hard to say whether his sudden treaty with Russia at Rapallo was a piece of panic or a design to frighten the Allies with the spectacle of the coming together of the two great outlaw nations of Central Europe. Nor have I seen any really satisfying explanation of his assassination in Germany six months later, unless it is the crudely obvious one that, being both a Jew and to all appearances a Russophile, he was the first victim of incipient nazism.

The immediate result of Dr. Rathenau's lecture was a decision by the Supreme Council to call an international conference in March at Genoa, to include pretty well everybody except Kemalist Turkey – Germany and Russia certainly, and the U.S. if they would come. The ambitious object of this was to secure the conditions of peace and confidence under which international trade and finance could be restored in Europe. One of these conditions was the recognition of Soviet Russia and the extension to her of commercial credits, subject to the fulfilment, or at any rate acknowledgment, of certain pre-revolutionary obligations. This was viewed with great suspicion by all those elements of French opinion which revolved round M. Poincaré and it was anathema to the right wing of the Conservative Party in England and also to Mr. Churchill. The second consequence of Dr. Rathenau's plea was the formulation of a plan by the Allied financial experts for a partial moratorium in 1922, accompanied by guarantees on Germany's part for a reform of her financial system. This plan could not be formally approved by the conference, for M. Briand had been hastily recalled to Paris. The discomfort of the French Right about Russia and about the supposedly lenient treatment of Germany was shared by some of Briand's Ministers, including M. Barthou, who had accordingly entered into *pourparlers* with M. Poincaré. When the Council of Ministers met at Paris it was clear to Briand that his Government was doomed. He at once accepted the inevitable, threw at the principal rebel a jeering inquiry about the 'value at the present rate of exchange of thirty pieces of silver' and went off to the Elysée to hand in his resignation. A Government was formed under Poincaré with Barthou as one of its mainstays. The new Prime Minister refused to come to Cannes and insisted that the moratorium question should be dealt with by the Reparations Commission, who accordingly met in Cannes and formally notified Germany that the next two payments were postponed, subject to their delivering £1,550,000 gold every ten days and producing a complete scheme of financial reform within fifteen days. The mark, which had in December recovered somewhat, began to fall again. The Germans duly produced their plan and it was discussed at a meeting of Finance

Ministers in Paris at the beginning of March. The Ministers again passed the buck to the Reparations Commission and the commission solemnly declared a further partial moratorium. Our exit from Cannes was not a very glorious one but the return journey was marked by one amusing incident. Lloyd George was met at the Gare de Lyon by Briand, who stood wordless in front of the Prime Minister, drawing his thumb across his throat and rocking with laughter. At this conference I saw Mussolini for the first time. He was, as yet, regarded as no more than an agitator; his appearances on the outskirts of the conference attracted little attention and nobody in fact knew what he was doing there.

IV

The King's Speech at the opening of Parliament in February 1922, besides referring to the results of the Washington Disarmament Conference, the acceptance in Ireland of the Articles of Agreement and the offer at Cannes of military guarantees to France and Belgium, regretted the heavy incidence of unemployment, held out the hope of economy in public expenditure and looked forward to the conference at Genoa which had been fixed for March 8th. Mr. Asquith moved an amendment to the Address deploring the extravagance of the Government with its concomitant of crushing taxation and the absence of any promise of relief. The Chancellor's reply was in effect: 'Wait till I tell you the results of the discussions on the Geddes Committee.' The Geddes Report had by now been published and almost at the same time the Board of Admiralty issued a flaming attack on the passages of it which dealt with the Navy. Mr. Churchill, then Colonial Secretary, was Chairman of the Cabinet Committee which was considering the section of the report covering the three Services, but of course he had no part in encouraging the Admiralty's impropriety. Or had he? The Chancellor's general statement on Geddes took place on March 1st. He had asked for a £100 million reduction in the provisional estimates which were themselves £70 millions lower than the previous year's figure. The Geddes Committee had recommended

cuts of £86 millions of which only £71 millions had been specifically indicated. The Government was accepting items amounting to £53 millions and there would be a saving of £11 millions on account of the Washington Naval Treaty. In any case, the original Supply Estimates as already presented showed a decline of £181 millions and in fact, therefore, the objective had been pretty well achieved and there was no cause for despair. Our burdens were heavy and trade was bad, but exchange and Government securities were rising, and we had abundant reason for confidence in our future.

All this time the diehard revolt against Lloyd George's leadership was gathering strength. The early results of the Irish Agreement were not encouraging, there were continuing outrages and those who had signed the treaty seemed to be compounding with the irreconcilables under de Valera. The supposed philhellene bias of the Prime Minister was contrary to the traditional leanings of the Tories towards the Turks. Moreover our failure to make an effective peace with Turkey was providing an excuse for one of those rare alliances between Hindu and Muslim in India, and for a combination of civil disobedience under Mr. Gandhi and the Khilafat movement under the Ali brothers. When Mr. Montagu resigned after an unauthorized publication of the views of the Government of India on this matter, the Tories, though having no liking for the retiring Secretary of State, were quite ready to use him as a stick to beat the Government. The Tories moreover were perturbed at the growing estrangement with France and the attempted *rapprochement* with Russia, and they were stridently supported by *The Times* under the ownership of Lord Northcliffe and the editorship of Mr. Wickham Steed. On quite a number of occasions the diehards put down formal motions of censure and on another a motion condemning the very principle of a Coalition Government. In fact things had come to such a pass that Lloyd George insisted on being fortified by a vote of confidence before going to the Genoa Conference, which, after a private meeting at Boulogne with Poincaré to discuss the draft agenda, had been fixed for April 10th. The debate took place on April 3rd. The purpose of the conference was nothing less than the reconstruction of economic Europe,

broken into fragments by the devastating agency of war. The Prime Minister had, however, agreed, in order to carry the French with him, that the discussions at Genoa should be 'without injury to existing treaties'. After a reference to *The Times* as a tasteless re-hash of the *Daily Mail*, he described how international trade had collapsed and the machinery of exchange had been shattered; he paid a tribute to his Chancellor of the Exchequer for his sound financial policy and averred that a universal return to the Gold Standard was necessary. He also pointed out how vital it was to establish an over-all peace, a peace which should not exclude Russia. He reminded the House of Pitt's readiness to enter into discussions with revolutionary France and believed that Lenin's recognition of the at any rate partial breakdown of Marxism and his adoption of the 'New Economic Policy' might easily portend a willingness to come back into the international comity. He was therefore prepared to recognize the new Russia, but only on the conditions agreed upon at Cannes and set out in the Cannes resolution. The Prime Minister duly got his vote of confidence, after a somewhat grudging endorsement of his policy by Bonar Law, the diehards and Labour opposing. On the same day the United States announced that they would not come to the conference — a not very happy augury.

Just about this time the question of our debt to the U.S.A. began to raise its head. In February, Congress had passed legislation enabling the U.S. Government to fund the war debts owing to them by the other Allies (on the basis of not less than 4¼ per cent interest and a term of not more than twenty-five years), and to set up a Funding Commission to conduct the negotiations. A fortnight later the Financial Secretary (Mr. Hilton-Young) announced that, as the moratorium of three years in the payment of interest on our debt expired in October, the forthcoming Budget would provide a sum of £25 millions to cover a half-year's interest. In March the U.S. had made it clear that they had not abandoned their claim for the reimbursement of the cost of their occupying forces in Germany and the Chancellor of the Exchequer had repudiated any idea of asking them to remit our debts. It is quite true that in earlier years Lloyd George had suggested

all-round cancellation to President Wilson, and that various schemes had been discussed between officials for paying the U.S. by transferring to her some part of the Allied claims upon Germany. But the Americans were insistent throughout that there was no connection between War Debts and Reparations and that what the Allies owed to Great Britain had nothing to do with what we owed America. So far as I can remember, not a single public voice was raised in this country suggesting that we should default to America or ask her for relief. And the announcement of the decision to resume paying interest at 5 per cent on the unfunded debt caused no stir in any quarter. The general British attitude at that time towards Reparations and War Debts, in so far as there can be said to have been one, was somewhat as follows. Most of us thought that the French were being tiresome in claiming such large sums from Germany. We all thought that the Americans were being unhelpful in insisting that War Debts had nothing to do with Reparations. But, if they wouldn't cancel the debts to them of the European Allies, we would not consider cancelling the debts owing to us. Some people in the Treasury, however, saw all along that France would be in a fix if she had to pay both the U.K. and the U.S.A. in full and got only very moderate sums from Germany. They began, therefore, to take firmly the view that the path of wisdom for us was to pay America without cavil if she insisted, but to remit unilaterally the Allied debts due to us, demanding in return a realistic settlement with Germany. This would in theory leave us having to pay twice as much as we received from Germany, although we had in fact lent to Europe twice as much as we had borrowed from America. But it was considered that the relief to the world in getting the German question settled would amply recoup us for our sacrifices, and further that, if we took the initiative in remissions, the Americans might before very long follow suit.

Early in April the Chancellor of the Exchequer went off to Genoa with the Prime Minister and hosts of other Ministers and officials. He was to come back well before the end of the month in order to open his Budget on May 1st. The main outlines of this had been settled, and it was only a matter of putting on the final touches and

preparing the speech and the formal documents. I stayed behind to co-ordinate this Budget work and Donald Fergusson accompanied the Chancellor to Genoa. I have often wished since that I had chosen otherwise, for I regret not having been present at what has always seemed to me Lloyd George's truly superhuman effort to get the world straight. He was having a lot of trouble in his own house or at any rate in his own Parliament. His opposite number in France was the man in all the world least likely to appreciate and understand him and the most likely to suspect everything he said or did. Poincaré was in fact what Mr. Churchill called a 'bristling partisan'. He was moreover a rigid and pedantic formalist with all the Lorrainer's burning memories of 1870. Such a man was incapable of collaborating in any policy of reconciliation. It very soon appeared, too, that the Russians had not really abandoned Marxism or isolationism, and they showed all the traditional oriental qualities in negotiation except that of being prepared in the end to make a bargain. Then again there was the German preoccupation with their slumping mark and their need of a further moratorium, plus their notorious lack of adroitness in human relationships. Nevertheless Lloyd George fought manfully. I remember Donald telling me what a masterpiece his opening address was and how manifestly it had impressed the delegates there. But Barthou was under strict instructions to agree to nothing without Poincaré's formal sanction. And then Dr. Rathenau committed the crime or — what Talleyrand would have said was worse — the blunder, of making the Rapallo Agreement with the Russians behind the backs of the conference. From this moment the conference was bound to fail in its main purpose. But all the same, by the time Horne returned to London, the Financial Committee had produced something in the less obviously political sphere, and in particular the once famous Genoa Resolutions advocating a universal return to gold and the formulation of credit policies having for their object the maintenance of stable price levels. In the drafting of these resolutions Mr. R. G. Hawtrey had a large share. Hawtrey was 'Director of Financial Inquiries' at the Treasury, which meant that he was a sort of economic consultant. He was not a particularly good administrator, but he had

one of the most acute minds of the age, and he was the author of the theory which attributed the phenomena of the trade cycle to monetary causes. Mr. Churchill, when he became Chancellor, used to accuse us of giving Hawtrey too little scope. I remember his demanding from time to time that the learned man should be released from the dungeon in which we were said to have immured him, have his chains struck off and the straw brushed from his hair and clothes and be admitted to the light and warmth of an argument in the Treasury board room with the greatest living master of argument.

On the major questions of policy the conference had achieved and was to achieve little. Poincaré refused to allow the German request for a moratorium to be discussed at Genoa; the Russians were so insistent on getting large credits before they even acknowledged their pre-revolutionary obligations, that their affairs were postponed to a second conference – in a minor key – at the Hague. *The Times* attacked the Prime Minister at every turn, accusing him of having destroyed the Entente and representing him as wanting to hand the taxpayers' money to Russia. The diehards made all the capital they could of his supposed delinquencies and to this was added the alleged enormity of contemplating an immediate appeal to the country to obtain a new mandate for the Coalition. Some offensive public remarks by Sir George Younger, the Chairman of the Tory Party, on this subject led Lord Birkenhead to counter with interest and in particular to remark on the impropriety of the cabin boy seeking to captain the ship. So Genoa by and large failed. I have often wondered what would have happened if it could have succeeded. No Ruhr? No Hitler? No second World War? Russia in relations with the outside world much earlier and much more disposed to co-operate? Perhaps. Who knows? Anyhow I am clear that Lloyd George's effort was worth while; that in making it he displayed his great courage and resources at their highest reach, and that it was a thousand pities that he was denied wider support in his own country and from many in the Conservative Party, who had been glad enough to put his portrait on their election addresses in 1918.

The conference drifted on till the latter half of May. In the mean-

time the Chancellor had delivered himself of his Budget. The previous year's results were not at all in accordance with the croaks of Mr. Asquith and his friends. Although we had not achieved the £100 millions for debt redemption originally hoped for, we had produced something like £70 millions, which, considering the trade slump and the prolonged coal stoppage, was surprisingly good. The £70 millions had been in effect applied to repaying external debt, and of the floating internal debt nearly £250 millions had been funded. The sterling-dollar exchange was now within 10 per cent of its pre-war parity and altogether things weren't so bad. For the current year the Chancellor proposed to make no provision at all for paying off debt but to use the greater part of his resources in reducing the standard rate of Income Tax from 6s. to 5s. in the pound. The Tea Duty and Postage Rates were to be reduced too, and for the rest, the Finance Bill would contain provisions designed to stop the process of avoiding Super Tax by the device of One Man Companies. There was some criticism that Mr. Austen Chamberlain's sinking fund policy had so soon been abandoned. Mr. Asquith complained that the Budget was a gamble and his henchman, Sir Donald Maclean, said that expenditure had been under-estimated (notwithstanding the fact that the Chancellor had allowed £25 millions net for supplementary estimates) and revenue over-estimated. But the proposals were fairly generally approved as an attempt to improve trade by leaving more money in the pockets of the people.

When Lloyd George arrived back from the Genoa Conference he was put on his defence about it. There was some captious criticism from Lord Robert Cecil and Mr. Asquith, but no more than twenty-six members went into the Lobby against the Prime Minister, and these were all diehards. At the end of May the Reparations Commission agreed on a further partial moratorium for Germany and invited a committee of bankers to advise on the prospects of her getting a foreign loan to assist in stabilizing her currency. The bankers reported that there was no chance of such a loan and the mark started off downhill again. In mid-July, therefore, the Germans asked for a complete moratorium on cash payments for the rest of 1922. An Allied confer-

ence to consider this request was called for August 7th in London. In the meantime it appeared from inspired statements in the French Press that Poincaré had a plan. This provided for a reduction of the Reparation obligation to £2500 millions by the cancellation of the worthless C bonds. Against this there was to be a cleaning of the slate between the European Allies and somehow or other the Continental Allies were to be forgiven their debts to America.

We had been asked in April when we were going to send a debt-funding mission to Washington. On July 17th it was announced that a mission would start early in September, and on August 1st what became famous as the Balfour Note was dispatched to our Allies. Though addressed to the Continent, this was really directed at the United States. It described in general terms the Reparations-War Debts problem and its dangers. It pointed out that we were prepared to remit all that the Allies owed us and to forgo our share of Reparations, so long as this formed part of a satisfactory international settlement – meaning of course, provided that the U.S.A. were also ready to wipe out all that was owing to them. But alas! that was now impossible. The Americans had invited us to fund our debt to them. However much we disliked it then, we had no alternative but to ask our Allies to make arrangements to deal with what they owed us. It was all very unfortunate and disagreeable but we couldn't help it. In any event we should not take from Allies and Germany together more than we would have to pay the United States. Some people thought that this indirect pillorying of America would only make her stiffer in the terms she asked of us. Others thought that, if the facts were brought thus bluntly home to her, she would be more willing to scale down if not cancel the debts. I do not believe the Note in fact affected the American action one way or the other. It certainly had its effect on Poincaré however. He dropped his reasonable-seeming plan of cancelling C bonds against Allied debts like a hot brick, and at the London Conference he was completely intransigent, insisting that France was not prepared to grant Germany an extension of the moratorium, except on the surrender to the Allies of *gages productifs* including certain State mines and forests. On this demand the con-

ference broke down. I was present at all the formal meetings but not at the much more numerous informal discussions between Poincaré and the Prime Minister. I could not help admiring the Frenchman's dialectical skill and his obstinate resistance to all Lloyd George's persuasiveness. But he was, and most people there felt it, like Samson pulling down the temple on himself and his friends as well as on his enemies. He seemed to realize this. At any rate he looked uncomfortable and he gave me the impression of a man believing that his open breach with the British was the end of him and his Government.

This conference took place after Parliament had risen. Since the failure of the Genoa Conference, the general position of the Coalition Government had further weakened. Sir Henry Wilson had been murdered by Irish republicans in London and in Dublin the rebels had actually seized the Law Courts. Nothing had come of the 'second eleven' conference with the Russians at the Hague, and the Government had come badly out of a debate raised by the Tory diehards over some more than usually unsuitable awards of peerages for 'political services'. A disconnected memory of the last week of the session is of the Speaker reading to the House the formal notification of Horatio Bottomley's conviction for fraud and a letter from the prisoner proclaiming before God his entire innocence. In such cases the House by its rules must expel the delinquent member and I can recall how struck I was at the quietness and decorum and above all the inexorability of the proceedings.

V

Though we didn't know it at the time, this was the last session of the Coalition Government. Before August was out, the Greeks had met with utter disaster, ending with the burning of Smyrna and the slaughter of countless refugees and fleeing soldiers. The triumphant Turks showed every sign of violating the neutral zone along the Dardanelles and in the face of their threats the French and Italians had withdrawn their contingents to the European shore. The Government decided nevertheless that all encroachments must be resisted and in the end this

policy succeeded. Fighting did not actually take place, and an agreement with Kemal was concluded at Mudania on October 10th. But we had been compelled first to send heavy reinforcements to the Dardanelles and had issued a stirring, if flamboyant, appeal to the Dominions to send contingents also, in order to convince the Turks that we meant business. The Mudania terms were very favourable to Kemal but they were not on the face of them humiliating to us. And anyhow we had not had to fight. Nevertheless the incident was the death-knell of the Coalition.

The Conservative Party met on October 19th at the Carlton Club and decided by more than two to one against continuing under Lloyd George's leadership. The Prime Minister immediately resigned, a new and purely Conservative Government was formed under Bonar Law, Parliament was dissolved and the new Government was returned with a majority of 77.

Although the events in the Mediterranean and the fear of so many people that we were being plunged into war again were the signal for the break-up of the Coalition, the main cause was clearly elsewhere. Referring to the signing of the Irish Treaty, Mr. Churchill in *The Aftermath* says:

> The event was fatal to the Prime Minister. Within a year he had been driven from power. Many other causes, some at least of which could have been avoided, contributed to his fall; but the Irish Treaty and its circumstances were unforgivable by the most tenacious elements in the Conservative Party. Even among those who steadfastly supported it there were many who said, 'It must needs be that offences come, but woe to that man by whom the offence cometh'.

I do not think anybody would deny that the decisive factor in the vote at the Carlton Club was Bonar Law's putting himself at the head of the dissidents. And there can be no doubt that Ireland was one of the few questions on which Mr. Law felt passionately. Even so, there is a well-attested story that he was most unwilling to come out against his old chief, and that he was sitting at his desk on the evening before the

Carlton Club meeting writing a letter to *The Times* to explain why he was unable to join the rebellion or indeed to attend the meeting at all. If this is true it would be interesting to know who or what made him change his mind. I should be surprised if it were Mr. Baldwin, for I could never discover that his opinions or wishes carried great weight with Mr. Bonar Law. It was much more likely to have been Lord Beaverbrook who had considerable influence on the friend of his Canadian boyhood. But I do not remember that Lord Beaverbrook has ever disclosed what part, if any, he took in this epoch-making transaction. Of the other causes to which Mr. Churchill alludes, the philhellenism of the Prime Minister was one. As a Liberal he could not help being pro-Greek and the Greeks under Venizelos had helped the Allies materially. The Tory Foreign Secretary, Curzon, was pro-Greek too. There is no decisive evidence that either of them had encouraged the Greeks after the fall of Venizelos and the restoration of Constantine in 1920. Nevertheless the feeling prevailed that Lloyd George was anti-Turk and the Tory Party as a whole were traditionally Turcophile. Then again, many of the Conservatives were upset over the Montagu-Chelmsford Reforms in India and the failure to deal firmly with Mr. Gandhi's civil disobedience movement. Altogether the Tories were horrified at the extent to which, under Lloyd George's leadership, they were being made to swallow Liberal policies both at home and abroad, and there is no doubt that they thought there was more than in fact there was in the project for forming a Centre Party about which kites had been flown from time to time.

It was intensely interesting to me to watch events moving remorselessly to their climax. I heard of Mr. Churchill's dinner parties which were designed to keep together a 'core of resolute and loyal supporters of the Prime Minister'; I heard of the somewhat equivocal proceedings of Lord Curzon, which are referred to in Mr. Churchill's sketch of him in *Great Contemporaries*; I remember how some of the Tories who went to the Carlton Club prepared to bless the Coalition, joined in cursing it as soon as it was seen that Mr. Law was coming out against it. The truth is presumably that most of the principal and many of the lesser actors had mixed motives. The Conservative Under-Secretaries

in the Government, who murmured revolt long before it broke out openly, must have had it in their minds that some of them, under a purely party government, would receive the promotion to Cabinet rank which they believed to be their due. Curzon must have detested Lloyd George on personal grounds and longed to be free from the humiliation of being so frequently by-passed. Mr. Baldwin undoubtedly was actuated by a variety of feelings. Stories were confidently circulated at the time that he had bitterly resented not having been made Chancellor of the Exchequer in 1921 and again that, with cool calculation, he foresaw the course which events were bound to take in the future – Mr. Law's early retirement and Curzon's being judged ineligible to succeed him because of his being a member of the upper House. These stories can be dismissed. It is, however, certainly true that he told an old Civil Service intimate that he had come out against Lloyd George 'in the interests of clean government', by which he meant to convey his repugnance at the circle which surrounded the Prime Minister at 10 Downing Street. And there is every reason to believe that the fears which he publicly expressed about the danger to the Tory party of a continuance of Lloyd George's leadership arose genuinely from his deep feeling for the traditions of the party and his conviction of the importance to the welfare of the country of its maintaining those traditions.

No such conflict disturbed those Tories who went into the wilderness. They showed a scrupulous, undeviating loyalty to Lloyd George which was free from any element of calculation. My chief was never to occupy political office again and Austen Chamberlain lost for ever the chance of being Prime Minister.

I had, and most Civil Servants have, a great capacity for identifying themselves whole-heartedly with the desires and fortunes of their political masters of the time. I remember being very upset at the break-up of the Coalition (though this did not in the least affect the quality of my service to later Governments), and thinking that in due course it would turn out to have been a great misfortune for our country. I think that it has so turned out, though this judgment from the vantage of retrospect is not so assured as my earlier opinion which

rested on nothing but prophecy. The years may bring wisdom; they certainly bring caution and a greater willingness to think it possible that one may have been mistaken. My discomfort was not at all due to the fact that the new Government consisted, owing to the refusal of so many front-bench Tories to join it, largely of what Lord Birkenhead called second-class brains. It was not even that the change to pure party government took place in circumstances which left the Liberals bitterly divided and made it certain that they would be more and more supplanted in the representation of progressive forces by the Labour Party. It was to a considerable extent due to a belief in the supremacy of Lloyd George as an executive force. I had never seen from close quarters Lloyd George's work as a war-leader. I was filled with admiration for what he did in the incomparably more difficult test of a disillusioning and equivocal peace. Indeed I had independently formed a judgment very like that Mr. Churchill expresses in the essay entitled 'Personal Contacts' in his book *Thoughts and Adventures*:

> He was the greatest master of the art of getting things done and of putting things through that I ever knew; in fact no British politician in my day has possessed half his competence as a mover of men and affairs. When the English history of the first quarter of the twentieth century is written, it will be seen that the greater part of our fortunes in peace and in war were shaped by this one man.

I remember a decade later being present at a public debate between Mosley and James Maxton. By then the former had become a Fascist and he was arguing the case for his brand of revolution against Maxton's advocacy of the Marxian form. The chairman or referee was Lloyd George. The antagonists both had loud voices and an abundance of gesture. Lloyd George had a quiet, silky voice which nevertheless, and even at the age of seventy, carried throughout the large hall. I could not help being struck with the contrast between the talkers and the doer.. On the one hand, sound and fury signifying nothing very much; on the other the still small voice of one who had made more revolution almost than the other two put together had talked about.

I was unhappy that this unique driving power should be lost to the country at so anxious a time. It is true that some of his efforts to get the world and his country straight had been frustrated. He had not yet produced a solution of the Reparations problem, Russia was still withdrawn into her dark forests, and unemployment obstinately persisted. But he had held off from us two great disasters – a triumphant Turkish return to Europe and the separate entry of the French into the Ruhr. Six months later at Lausanne we made a humiliating settlement with the Turks, and within three months of his departure the French had marched into the Ruhr. At the time, I remember thinking that if Lloyd George had remained Prime Minister the French would not have committed this great *bêtise*. I said earlier that in August Poincaré had looked like a doomed man. But unfortunately 'the dog it was that died'. More important persons than myself thought that Lloyd George would have prevented the occupation of the Ruhr, including, if my memory serves me right, Mr. Churchill and Mr. H. A. L. Fisher. And I took the view then that after the Ruhr the Germans were bound to seek revenge, so that when Hitler became Chancellor, it was easy to see in him the realization of one's forebodings. I do not feel so sure now that, given the German temperament, Hitler's advent could have been avoided. Stresemann's fulfilment policy was disingenuous; the German officer corps were always anxious for a chance to show that the verdict of 1918 was all a mistake. Nevertheless on balance I continue to believe that the Ruhr made Hitler, and the full tale of the evil consequences to us and the world of that bad man has certainly not yet been told. In any case it was quite enough that we never again had the benefit of the greatest executive force of our age. Lloyd George lived on for more than twenty years, but he had in them no opportunity of exercising any material influence on events. He occupied himself in ways out of keeping with his great past. By the time the new war came, he was visibly ageing and he became a great pessimist. The final act of his absorption into the House of Lords he had so belaboured in his youth was a great grief to those who had witnessed the heyday of his strength and vigour. But the feeling is ineradicable that, if he had been allowed during the preceding twenty years some voice in our affairs, things

might have been very different. Up to the second World War I thought him the greatest man I have ever known, and his achievements more outstanding than those of any other of our countrymen of the twentieth century. He now, of course, has a competitor. If he could have had a fuller share in our later affairs he might have prevented the great mass of the individualist radicals going over to the rather fluffy collectivism of the Trade Unions or to the rigid Marxism of so many of the so-called intellectuals. On the other hand, it may be that he represented the end of the Liberal-Radical age. Mr. Churchill spoke in the funeral oration he delivered in the House of Commons in 1945 as if the whole of Lloyd George's programme had been realized, and as if issues strange and foreign to his mind would henceforward agitate our politics. Philip Snowden once told me that the later Lloyd George looked back too much and too absorbedly to the searing hatreds of his youth – the Welsh Church and the Welsh landlords. To me who saw him closely only in office, he was the consummate and fearless man of action and I have no expectation of ever looking on his like again.

Horne's Chancellorship covered only eighteen months. These months fixed the kind of life I had to lead for a long time to come and gave me my opening view of that political arena, to perform in which its denizens think the greatest joy on earth. Looking back they still seem to me to have contained an unusual density of events which have turned out to be significant or even crucial in our later history; and they were certainly dominated by one of the two most arresting and most powerful figures which our country has produced in modern times.

VI

In Horne's tenure of office I met for the first time two men who have been my intimate friends ever since, Marshal of the Royal Air Force Sir Hugh (now Lord) Trenchard and Peter Roberts, then the London representative of the *Scotsman*. Of the creator of the Royal Air Force it is impossible to write in a short compass, and in any case, his name is written wherever the deeds of the Air Force are celebrated. In those days

he was concerned with protecting the youngest Service from the attempts which were being continuously made to divide it up again among the other two Services. He therefore occupied himself with showing what the Air Force could do as an independent entity and how cheaply they could do it. In April 1921 he was in the Middle East with Mr. Churchill, clearing up the aftermath of the rebellion in Mesopotamia. Apart from the political settlement with the Arabs there was the decision that the British interests in Iraq should be guaranteed by Air Force squadrons unostentatiously located and relying for their ground protection on British-trained Arab levies. This policy was amazingly successful and it was certainly economical. Later on Trenchard advocated that the Air Force should take over the control of the tribes on the North-West Frontier of India, but this battle he never won. When I was at the War Office many years after I used constantly to meet Trenchard. He was very upset because the Army was so slow to understand how the Air Force could best be used in connection with land operations. However, in the end something very like his views prevailed, and Montgomery's campaigns showed what a potent factor in military strategy the proper use of air power could be. There is no doubt that to this day the Air Force is in the main as Trenchard made it. Throughout the war of 1939 to 1945 he visited air stations all over the world and inspired the crews with that burning spirit of sacrifice which was necessary to deeds as noble as theirs. If I had to find a criticism of his work I think I would dare to say that he has left the problem of discipline and *esprit de corps* in the Air Force partly unsolved. There is a great gulf between the air crews and the twenty or thirty times as numerous ground staffs. The former keep going on the exaltation of the individual crusading spirit, but the latter have no loyalty less wide than the Service as a whole, and are sadly in lack of something like the regimental tradition of the Army or the unity of the ship's company in the Navy. But even this criticism I would not advance very confidently. What is certain is that I would without hesitation put Trenchard on the short list of indubitably great men whom I have had the good fortune to know personally.

Peter Roberts is one of the last of the journalists of the old school. He

underwent a thorough apprenticeship to his profession, he learnt that the primary duty of a journalist was to give news and not his own views and he made it a cardinal rule of life never to abuse a confidence – though he naturally and legitimately used what he was told in private to check up on information which he might obtain in other directions. I think he was the most trusted of all the Lobby correspondents and in consequence he was invariably the best informed and the best possible guide to the shifting and not always obvious currents of opinion in the House of Commons. For twenty-five years, except when I have been stationed abroad, there has hardly been a week in which we have not met at least once. We have played golf together, we have joined regularly in family bridge and kept running tallies of the scores for years on end, we have spent holidays together. We have now settled down in the same village and there is only one flaw in our friendship – that it must in the ordinary course of nature come to an end some day.

Of those early days other memories circulate round two wayward but much loved members of the House – Joe Devlin and Jack Jones. The former was the last of the Irish Nationalist orators. After 1920, most of his eloquence was exercised in the smoking room or the bar, though occasionally his excited interventions in debate gave his hearers much pleasure. So did his somewhat too audible asides which were as witty as Tim Healy's – and much more improper. Jack Jones too was an Irishman though he represented an East End constituency. He was as outspoken as Joe Devlin and as obstreperous. His unpremeditated interjections were louder and more personal and he sometimes got into trouble with the Chair. I remember his being rebuked for making the obvious pun on an answer of Sir Alfred Mond's promising to give *due* publicity to something or other and I also recall his getting himself suspended for some unpermitted licence and being readmitted to the fold the next day after a public apology for losing his temper, 'It was, Mr. Speaker, all that I had to lose.' And again there are countless stories of his exchanges with Lady Astor but alas! most of them are unprintable.

One of the tragedies of the last war was the utter destruction of the Austro-Hungarian Empire, and Austria was left as the least viable

among the succession states. Her currency became valueless even before Germany's and more than one scheme of financial reconstruction had to be improvised on her behalf. One of them was undertaken under the auspices of the League of Nations. It involved an internationally guaranteed loan of which the British share was £2 millions. When this scheme was being evolved at Geneva, Lord Balfour, who was the principal British delegate, complained to the Cabinet that the instructions they had sent in answer to a request from him were not at all what he wanted. At Mr. Lloyd George's instance, further instructions were immediately sent to the effect: 'We thought we were sending you the authority you asked for. Anyhow we agree with what you want to do whatever it may be.'

Finally, so far as this chapter is concerned, there is Montagu Norman. For ten years I saw him two or three times a week and got to know him well enough to know that I didn't know him at all. I thought and still think him a great man. Others insist that his influence in our financial and economic affairs was thoroughly mischievous. That he exercised great influence, whether for good or ill, is undoubted. Which of them it was, good or ill, it is impossible to judge until we have seen more closely the events connected with the return to the Gold Standard in 1925 and its abandonment in 1931. For the present it is sufficient to say that in 1921 and 1922 nobody had any doubt that the path of wisdom lay in promoting the return to gold as recommended by the Cunliffe Committee in 1918. Only so was it practicable to regain for London its position as the centre of the financial universe, but, further than that, Great Britain's getting back to gold was then envisaged as an essential element in the restoration of international trade, order and prosperity. And at that time nobody had qualms about any bad effects on productive industry or employment. Mr. Norman's policy at that time, and his advice to the Treasury, was fixedly and undoubtingly to work for a reinstitution of something like the pre-war international standard – not precisely, for it was idle and fatuous to think that a gold coinage would ever be feasible again – but if not the pre-war Gold Standard, at any rate a gold bullion standard.

CHAPTER FOUR

PRIVATE SECRETARY – BALDWIN, CHAMBERLAIN AND SNOWDEN

THE election of 1922, as I have said, resulted in a Conservative majority of 77 over all other parties. Labour with nearly 150 seats became the second biggest party and the official Opposition, but instead of being overwhelmingly Trade Unionist, it now included a considerable proportion of representatives of the Independent Labour Party. Ramsay MacDonald, Philip Snowden and other pacifists of the 1914-18 War reappeared and a lively contingent of what were then regarded as very Red representatives from the Clyde and elsewhere in Scotland – Wheatley, James Maxton, Campbell Stephen, Buchanan, Shinwell, Tom Johnston and others – came to show in what direction the world was moving. Sidney Webb, Clement Attlee and Arthur Greenwood were also among the newcomers. The first of these was short-sighted and he was very difficult to hear and, neither in Opposition nor later as a Minister, did he create the stir in the House of Commons that he did in Grosvenor Road or in the inner circles of the Labour Party. At this time he seemed to lean very much to gradualness and showed no obvious signs of the whole-hearted admiration of things Russian which he and his wife afterwards proclaimed. Two avowed Communists were elected to this Parliament, one a Parsee named Saklatvala, who was closely related to some of the richest capitalists in India, and the other Walton Newbold, who asserted his proletarian origin by appearing in the House without collar or tie. The left influences in the new Parliamentary Labour Party declared themselves at once by deposing Mr. Clynes from the leadership and putting Ramsay MacDonald in his place. The Liberals were about evenly divided between the followers of Lloyd George and those of Asquith. They preserved the rancours of 1916 in full force and in fact each set disliked the other more than they disliked anybody else. Neither faction included Mr. Churchill who, with his running mate, had been rejected at Dundee in favour of Mr. Scrymgeour, the prohibitionist, and that

ferocious pacifist, E. D. Morel. Bonar Law's election campaign had been conducted on the basis of a promise of 'tranquillity' after all the excitements and adventures of the Lloyd George regime. Incidentally, the term tranquillity covered a pledge not to introduce any radical change in our fiscal system during the ensuing Parliament. I went to hear one of his principal speeches at the Camberwell Baths. There could be no doubt about his competence and fluency as a speaker and of the effectiveness of his quiet and lucid conversational style. I confess that to me it seemed very ordinary, but then I had lived within sight and sound of Lloyd George for eighteen months. The latter's 'line' at the election was the wickedness of being stabbed in the back as we were climbing slowly but surely out of the pit of post-war troubles. I remember Horne telling me of a meeting in Glasgow at which he and Lord Balfour appeared on Lloyd George's platform. The ex-Prime Minister was describing this climbing process by going through the motions of cutting steps with an ice-axe and at each step every one of the 4000 heads in the hall moved a notch further back in unison. None of the Conservatives who had remained faithful to the Coalition were in the new Cabinet, and in consequence, never had there been such dazzling promotions for Junior Ministers and back-benchers. The new Chancellor of the Exchequer was Mr. Baldwin, who had been appointed after an abortive approach to Mr. McKenna by Mr. Law. Of him I had already seen something when he was Financial Secretary to the Treasury but my earlier association wasn't a very close one and I doubt if it amounted to more than being familiar with his habit of keeping letters in his pockets instead of handing them over to his secretaries. It seems to have been taken for granted by both of us that I would go on being Principal Private Secretary.

Mr. Law's programme of tranquillity was a good deal circumscribed by the commitments or problems he had inherited from the Coalition. He had early made it plain that there could be no question of going back on the Irish Treaty. The Mudania armistice with the Turks had to be transformed into a definitive Treaty of Peace. Something had to be done about Reparations quickly as the French were demanding a quite unwarranted degree of control over the German finances under

penalty of occupying the Ruhr valley. The Government were committed to sending a mission to Washington to discuss the funding of our American debt. And there was always unemployment and its anxieties. The debate on the address set the tone for this Parliament. The Clydesiders were obviously going to preach in season and out of season the class war and the bankruptcy of the capitalist system. And in the process, the woes of the unemployed and the iniquities, both general and particular, of private enterprise were to be exploited to the full. Ramsay MacDonald had to balance himself somewhat uneasily. He had been elected leader by the votes of the more extreme members and so he had to demand the recognition of Soviet Russia and to emphasize the need for haste in dealing with unemployment. He also advocated a capital levy. On the other hand he was at pains to proclaim himself a constitutionalist and not a Bolshevist. Mr. Snowden made a speech which contained a good deal of the stock material which Socialist speakers had been using for years on platforms throughout the country, including some echoes of Henry George on the use and taxation of land. But reading between the lines it was possible to see that he was much more the sturdy individualist radical than the collectivist. He pleaded for the recognition of Russia, not because he loved bolshevism – indeed he hated it – but in order that contact with the outside world might enlighten that benighted country. He advocated many kinds of public works but disclosed that he would not undertake any scheme that did not promise to be remunerative. But, whatever Mr. Snowden said, it was the newer and less responsible members of the party who made the running, and the election of 1922 marked the beginning of a new phase in politics.

The first preoccupation of the new Government, not very surprisingly, was Reparations. As early as October the mark was at 20,000 to the pound and the French showed no signs of abandoning their demand for physical pledges for the German fulfilment of their quite impracticable obligations. A conference met in London on December 9th, but did no more than adjourn to meet again in Paris on New Year's Day. About the only personal memory I have of this conference is that Mussolini attended it and that he interrupted a series of references

by the various delegates to the difficulties they apprehended from their Parliaments to explain that he was subject to no such embarrassments. The resumed conference in Paris broke down after two or three days, and a week later French and Belgian troops marched into the Ruhr and proceeded to try and collect Reparations for themselves. The Germans embarked on a deliberate policy of passive resistance which ensured that no appreciable sums could be realized and ensured also that the mark would continue to fall, but with accelerated speed. This was indeed a bad beginning for tranquillity.

In the meantime a debt funding mission consisting of Mr. Baldwin and Mr. Montagu Norman had left and was already nearing New York. Mrs. Baldwin accompanied the Chancellor, and my wife was also of the party. In the ordinary way it would have been quite out of the question for us to pay the cost of her trip, but just at that time she had received a legacy of a hundred pounds or so which she decided could best be spent in seeing a little of the New World. We travelled on the *Majestic* and for the first three days the Griggs suffered from what even the sailors were prepared to call a whole gale. Mr. Baldwin never turned a hair; indeed I remember having been told while I was utterly prostrate, that he had even paid a visit to the engine room during the storm! After the gale there was a fog and we were consequently some days late in reaching Washington.

On the journey from New York, Mr. Baldwin rested and I was commissioned to see that he was not disturbed. This duty I manfully performed and I kept at bay a number of journalists who wanted to know what the Chancellor thought of the news, which had come through after we left New York, of the breakdown of the Reparations Conference in Paris and of the French design to occupy the Ruhr unilaterally. Having explained that they would get no views from Mr. Baldwin, I beguiled them with some of my own, and these I have no doubt were somewhat critical of the French. The only remark I can now recollect was to the effect that in the end the occupation would be found to have damaged the French more than the Germans – but I expect I said more than that. Anyhow, the results of my entirely unnecessary candour appeared a few days later. What I had said had

been telegraphed, no doubt with variations, to Paris as the views of Mr. Baldwin. They had in consequence attracted the pained attention of M. Poincaré. The French Ambassador in Washington was directed to make inquiries of Mr. Baldwin, which he did with what I thought was undue *empressement* in the middle of a reception at the British Embassy. The issue of a denial that he had ever made the remarks was demanded and Mr. Baldwin immediately complied with a light heart and a perfectly clear conscience. I did not then confess to my part in this incident but I made up my mind to be more careful with journalists in future.

The British Ambassador to the U.S. at this time was Sir Auckland Geddes and he was designated as a third member of the mission. He was an alarmingly learned man and I marvelled at the wide range of topics on which he could be induced to hold forth with fluency and knowledge. He had retained from his McGill University days some traces of his professorial manner and one at least of his hearers was suitably convinced of his own abysmal ignorance. All the same, there was no condescension in his love of giving information, and his discourses were enjoyable as well as illuminating. Lady Geddes was an admirable counterpart and she was one of the most charming, natural and kindly hostesses I have ever met.

It will be recalled that our debt was in the form of 5 per cent obligations payable on demand. Interest was therefore accruing at the rate of about £50 millions a year. The American Debt Funding Commission were authorized to fund on a basis of not less than 4¼ per cent and a currency of not more than 25 years, which meant that we could clear the debt by paying £61 millions a year for 25 years. In the autumn before the mission left, various Americans in England, particularly the Ambassador, Mr. George Harvey, had, in conversations with British political personalities, expressed the conviction that the U.S. Government would be satisfied with 2 per cent interest and ½ per cent sinking fund – i.e. with an annuity of £25 millions a year. Mr. Baldwin's authority had therefore been limited to a settlement within this figure. He accordingly told journalists who met him in New York that he aimed at something considerably better than the terms of the Funding Act.

After his first meeting with the commission and a number of informal contacts, he came to the conclusion that Mr. Harvey had been unduly encouraging and asked for, and was conceded, somewhat greater latitude. The commission consisted of Mr. Andrew Mellon, the Secretary to the Treasury, as chairman, Mr. Hughes and Mr. Hoover, Senator Smoot and Representative Burton – all Republicans. Mr. Mellon was, at this time, reputed to be one of the richest men in the world. The foundation of his fortune was the banking house of Thomas Mellon & Sons which had been started by his father in Pittsburgh in 1869. One of Thomas's sons launched out into the railway construction field, a second went into oil, while two others, of which Andrew was the elder, carried on the bank in partnership. The bank played a large part in the financing of the Pittsburgh steel industry, but it had many other activities, and there was hardly a pie in which the Mellon brothers did not have a finger. Andrew Mellon was the key member of the commission. To outward appearances he was hard, impassive and taciturn. Nevertheless, as a business man of vast experience, he must have wanted to do whatever was politically possible to get Europe on to her feet again. Mr. Hughes as Secretary of State was of the same mind but Mr. Hoover seemed to take a less enlightened view. In spite of his great knowledge of conditions on the Continent and of his reputation in commercial affairs he had committed himself publicly to a narrowly business-like treatment of the debt question.

The early discussions with the commission seemed to be leading nowhere. Nor were they, for the Administration was engaged in taking soundings to discover what Congress could be induced to swallow. By January 12th, this process had been completed and at a meeting on that day, Mr. Mellon formally stated that the commission would unanimously recommend and Congress would probably approve an agreement on the basis of 3½ per cent interest plus a suitable sinking fund. This meant an annuity of £38½ millions for 61 years to which Mr. Baldwin countered with an offer to pay £30 millions a year for 50 years, this presumably being in accordance with the revised authority which the Prime Minister had given him. The commission at this

meeting would come no further towards us than offering to defer half the interest for the first five years. The American proposals in this form were submitted to the British Cabinet and promptly rejected.

At the next meeting of the commission, Mr. Baldwin, who had become acutely conscious of the desirability of a friendly agreement with the U.S.A. as the starting-point for a general world settlement, including the liquidation of the French adventure in the Ruhr, said that if the commission would put forward a 3 per cent interest basis, he would recommend it to the British Government. The only concessions he could get were a reduction of interest to 3 per cent for the first ten years and a slight remission of the arrears. At this stage, then, the American terms required an annuity of £33 millions for ten years and one of £38 millions for the next 52 years. The commission, Mr. Hughes in particular, were insistent that we shouldn't get better terms than this, and, indeed, that if the question were left over to become an issue at the Presidential election, we should get worse. They strongly pressed us to settle at once and held out hopes of immediate collaboration in restoring Europe and ultimately of American participation in a conference at which Debts and Reparations could be considered together.

The Ambassador and Mr. Norman were much impressed with this newly-found desire on the part of the Americans to come into Europe again. Indeed it was the thing of all others that Norman regarded as necessary. They persuaded Mr. Baldwin, accordingly, to urge acceptance on Bonar Law. The answer was a blunt refusal and an instruction to return to London. The Prime Minister indicated that he had privately consulted Mr. McKenna who had advised rejection of the American terms.

All that remained, then, was to do whatever could be done to make the return to England look like an adjournment rather than a breakdown of negotiations, but unfortunately the Americans had already told the Press that they had made an offer to settle on a 3½ per cent basis, that Mr. Baldwin had suggested 3 per cent and that they had proposed as a compromise 3 per cent for ten years and 3½ per cent thereafter. The U.S. position had therefore become pretty well crystallized.

The visit to the U.S. lasted 16 days, all but two of which were spent in Washington. Between the negotiations and the official functions, I had no time to do any sightseeing and I could not even accompany my chief on the customary pilgrimage to Mount Vernon. Entertainment was lavish and, in spite of Prohibition, there seemed to be a profusion of liquor in private houses. At Mr. Mellon's apartment we were done extremely well and we were surrounded by old masters from the collection he afterwards presented to the American nation. He did not appear to be a man who was a connoisseur of painting, and I remember being told many years later that his real interest was in the process of acquiring the pictures, especially if there was any element of outwitting an alternative buyer. Mr. Hughes gave us a lunch but this was dry. Among those present were Vice-President Coolidge and Mr. Wallace, Secretary for Agriculture in the Republican Administration and father of the better-known Mr. Henry Wallace. Mr. Coolidge, to the best of my belief, spoke during the meal to neither of his neighbours and I could quite understand the point of the innumerable stories of his laconic acidity which were circulated after he became President.

In New York on the way back, we stayed at the Plaza Hotel and found Horne there. I told him where our negotiations had got, and he, rather nobly for one who had been supplanted, volunteered to telegraph to the Prime Minister urging acceptance of the American terms.

We returned on the *Olympic* which was a much more comfortable ship than the *Majestic*. At Southampton a large crowd of journalists were waiting for Mr. Baldwin but there was little of significance that he could say to them. Even what he did say got him into trouble, for some of his remarks were distorted in crossing the Atlantic and were represented as describing the average Senator or Congressman as a 'hick from way back'. Naturally this aroused resentment and it became more certain than ever that the American offer would not be improved.

The Prime Minister was bitterly opposed to accepting the terms but he found little support either in the Cabinet or in the Press or among informed financial opinion. Even Mr. McKenna changed his mind and advised against rejection. Lord Beaverbrook summarized the general

attitude in an article which he afterwards wrote in the *Sunday Express* of June 18th, 1933:

> The *Express* newspapers were the only opponents of the settlement in journalism. Bonar Law and McKenna and Keynes were its only opponents in public life. Later McKenna gave way and brought his influence on Bonar Law to sign the agreement.

Finally the Prime Minister did give in, but very sourly. By the end of February, the necessary legislation had passed Congress and been signed by the President. To it there was appended a rider authorizing settlements with other countries 'upon such terms as the commission may believe to be just'. As the Bill left the House of Representatives this general authority was confined to terms not more favourable than the British Agreement. We had asked for a provision to the effect that, if in the future any other debtor were to be conceded more favourable terms, these should automatically be applied to us. This was refused, and what was included in the House Bill was quite useless, so that we were unmoved when the Senate cut out even this.

A great deal of ink has been spilt on this settlement of the American debt. As the years passed it became more and more the custom to castigate the meanness of the United States and the imprudence of Mr. Baldwin. But this was jobbing back with a vengeance. At the time the settlement was almost universally approved in Britain and the prevalent feeling was that if we had contracted to pay money we ought to honour our word. The Continental countries didn't like it much because, for one thing, they thought it would furnish the standard for the American arrangements with them and also because they assumed it would make us more insistent on getting something on account of their debts to us. In America, where the approach was one of business rather than sentiment, they thought that they had been lenient if not generous. When the U.S. entered the war in 1917, there was no thought of anything like the vision and great-heartedness of President Roosevelt's Lease-Lend policies of the second World War. Nor indeed had Britain set any example of giving money to her Allies rather than lending it. True, in 1919 and again in 1920, Austen

Chamberlain and Lloyd George had proposed an all-round cancellation of inter-Allied indebtedness, but it was pointed out that, though the two countries were owed sums which were not very different, half of our total had been lent to Russia and was in consequence already a bad debt, whereas half of the American total was due from the U.K. whose credit was presumably better than that of any other debtor. Moreover President Wilson was not in the position nor in the mood to consider anything in the nature of cancellation. Since November 1918 there had been a Republican majority in the Senate. When the Treaty of Versailles was submitted for ratification in July 1919 reservations had been made which the President refused to accept. He thereupon started to stump the country in favour of the treaty and the League of Nations, but in the course of his journey he had a stroke and was incapacitated for months. In March 1920 the Senate finally rejected the treaty and the issue at the election of 1920 was certain to be the maintenance or reversal of this verdict. In the campaign, great play was bound to be made of the story of the 'bamboozling of the old Puritan' by the wily and wicked Europeans which Keynes had recounted with such zest and malice in his *Economic Consequences of the Peace*, and the President was unlikely, on political or on personal grounds, to lay himself open to the charge of further bamboozlement. I have often thought[1] — and the view has recently been developed in a study by M. Etienne Mantoux — that this book had a great and deplorable effect in causing the Americans to withdraw into their shell and in creating the legend of the 'Carthaginian Peace' which was so skilfully exploited by Hitler. And I believe that Keynes himself admitted before he died that it, too, had consequences — consequences which he had neither foreseen nor desired.

It is easy to see now that it would have been much better if everybody had been more enlightened and if both the creditor powers had cancelled the debts of their Allies outright in the 1920s. They could have used the cancellation to force on France and Belgium a realistic and practicable Reparations settlement. There would probably have been

[1] It is also expressed in Professor E. L. Woodward's *Short Journey*, and in Sir Arthur Salter's *Personality in Politics*.

no Ruhr and the world might have been spared the disasters of 1931. As it was, Reparations and War Debts disappeared together in the course of the depression of that year and at the Lausanne Conference of 1932, the European Allies gave up all hope of getting any more Reparations from Germany, decided to wipe the slate clean as between themselves, and, in effect, agreed upon a policy of co-ordinated default to America.

But generous enlightenment was not practical politics in the early 'twenties and there was to be much more of business than of idealism in the American attitude. Given that this was so, I do not think the terms offered were unconscionable or that Mr. Baldwin was foolish in pressing for their acceptance. Anyhow, nearly everybody in England agreed with him at the time. Lord Beaverbrook could name only two opponents other than himself and the Prime Minister. Of these two, Mr. McKenna, as we know, ratted. I have never heard that Keynes repented. Seeing that he himself had signed the obligations with which Mr. Baldwin had to deal – obligations which carried far more onerous terms than those actually obtained – he might have hesitated to condemn. Nearly a quarter of a century afterwards, he was himself to head a British Delegation in post-war negotiations with the U.S. He, too, had been led to believe (or it may be, had led himself to believe) that he would get better terms than were in fact forthcoming. He too forced on the United Kingdom an arrangement on which it afterwards defaulted. I wonder if his mind ever jobbed back to 1923 and to his condemnation of his predecessor. I suspect that most of the arguments which he had to bring to bear on His Majesty's Government in 1945 were similar to those used by Mr. Baldwin, especially the ones stressing the contribution which agreement would enable the United States to make to world restoration. In the 'twenties, the Americans did try to help in reviving Europe. The Dawes Plan was formulated under an American chairman. American investors lent large sums to Europe, albeit with not overmuch discrimination. Up till about 1930 it looked as if things were going well. The Young Committee was regarded as another step in finalizing the Reparations problem. But then everything went wrong again. Personally I think the Americans by their later actions contributed materially to the ensuing disasters.

They had allowed stock-exchange speculation to get out of control and New York sucked in money from all over the world. On top of this they raised their tariffs to an almost ludicrous height, making it impossible for debts or remittances to be paid in anything but gold. The drain to America brought about the failure of the Credit Anstalt in Austria and a famine of working capital in Germany leading to unemployment and depression. And finally, President Hoover was too slow and too timid in proposing a moratorium for inter-governmental payments on account of Allied debt and Reparations. But none of this unwisdom followed necessarily on the actions of 1923.

II

While we were in the United States, I remember being told that some of the Americans were saying that Mr. Baldwin was so obviously of the type of 'the President of a third-grade Western railroad' that they need have no fear that he would outsmart their negotiators in what they have come to believe is the characteristic manner of the British. And when I went to America again in 1946 I found that those who remembered Mr. Baldwin at all still looked upon him as next door to a simpleton. This is so utterly mistaken an estimate that I am tempted to turn aside and give a slight impression of Mr. Baldwin as I know him.[1] I daresay that this is great presumption, seeing that most of my official contacts with him took place during the few months that he was Chancellor of the Exchequer. On the other hand, for more than a decade after that, I had abundant opportunity of meeting him from time to time, whether he was Prime Minister or Leader of the Opposition, or later on, when he was Lord President of the Council in Mr. MacDonald's National Government of 1931. He has now been in retirement for ten years, but we still meet occasionally in the congenial air of the Athenaeum.

Those who depict Mr. Baldwin as a simpleton can, of course, find a variety of instances to support it. They point, naturally, to the *volte-*

[1] Mr. Baldwin (or, as he had become, Earl Baldwin) died a few months after this was written. Our last meeting was at the Athenaeum three weeks before his death.

face over the Hoare-Laval Pact and the apparent vacillations over rearmament in the 'thirties, and, if they go back earlier, they can produce what seemed to be the levity of the dissolution of Parliament in 1923 and the miscalculation over the value of the slogan 'Safety First' for the election campaign of 1929. But this view is forced to ignore a great deal on the other side. I know, for example, that in 1922, both Lloyd George and Mr. Churchill confessed that they had seriously underrated Mr. Baldwin, and it is beyond question that he was one of the principal engineers of the break-up of the Coalition Government. And again, he forced the unwilling Bonar Law to accept his American debt settlement with great determination. The main evidence to the contrary, however, is furnished by the skill and firmness with which he managed two major political and constitutional crises – the General Strike of 1926 and the Abdication of 1936. It was largely due to him that the former was followed by surprisingly little class bitterness, and it is almost universally agreed that he scarcely put a foot wrong in conducting the latter to its placid conclusion.

The truth is that there has rarely been a public man whom it is so difficult to evaluate. There is a combination of bucolic prosaicness with an intense passion for the English countryside, and this passion is allied to a fine sensitiveness to the beauty and power of his native language. It has been said that the speeches which he delivered on these themes owed too much to the drafts which were produced by his staff. Nevertheless, I know that some of the best things he did in this vein were entirely his own. He was a man of unshakable personal affections, and yet many of those who knew him best felt there was in him a reserved chamber into which they could never enter. On occasion he allowed himself to be persuaded too easily into policies which were bound to turn out badly, while at other times he would persist in conclusions at which he had arrived in his own secret places, and could not be diverted from them by all the persuasiveness of his intimates. He was a man of great uprightness, but he often gave the impression of deep astuteness. Certainly some of those who tried to upset him politically found their knavish tricks frustrated without any overt steps having been taken by him to counter them. To my

knowledge he was a very shrewd judge of character, and yet now and again he was led by the exigencies of party loyalty to make appointments which were almost cynically unsuitable. He was a keen party man but nevertheless few politicians were so well able to get on with their opponents.

It is difficult to find a single thread which ties all these qualities together. Perhaps it is foolish to expect a simple consistency from the son of an English manufacturer and a Highland mother whose three sisters also produced distinguished sons, but this genetic explanation is not sufficient to account for everything. In this region, the fact that he was an only child may have had no small influence on his character. He was certainly shy and unsociable, and on occasion he hid himself even from his closest friends; and in any case, there were never many people to whom he was prepared to unbosom. I am not sure that one of the major elements in him wasn't the indolence which for a greater or less proportion of their lives afflicts most of the English – an indolence which, however, does not prevent occasional or spasmodic bursts of energy and greatness emerging in stern resolution and even ruthlessness in the pursuit of determined ends. Though it is far too clean-cut a generalization, we can notice, I think, that Mr. Baldwin's successes were usually in the domestic sphere, while his failures were outstandingly in foreign affairs. He had a profound affection for his fellow countrymen with an uncanny appreciation of what they were thinking and of the way in which they would be likely to react. This affection and insight applied more especially to the men in the villages and perhaps rather less to the great masses of workers in industrial agglomerations. I doubt if the insight applied at all in the case of women, for it is to be remembered that before the General Election of 1929 the Tory Party under Mr. Baldwin enfranchised some six million women between the ages of twenty-one and thirty and then judged that they would be induced to vote Conservative by the call for 'Safety First'. With foreigners he was not at home. He did not understand them and was prone to distrust them. The sureness of touch in domestic affairs which I have assumed – not without some reservations – was displayed in his handling of the General Strike and

the Abdication. And it is to be noted that his failure to give a clear call to rearm in 1935 rested on a conviction that the country was still strongly pacifist at that time. This conviction was entirely justified, for the other parties in the State were even more opposed to rearmament than the Tories, and Mr. Churchill had no followers among them with the possible exception of Sir Archibald Sinclair. Mr. Baldwin was convinced that if he had fought the election on rearmament, he would have lost the battle, with the result that even less would have been done to prepare for war than he was in fact able to do. An interesting speculation is to wonder what would have happened if he had remained Prime Minister for two or three years after 1937. I suspect that his instinct for the unexpressed feelings of the common man would have prevented his carrying appeasement to the lengths his successor took them in 1938 and 1939.

For more informed judgments of these questions, we shall have to wait till Mr. Baldwin's own papers are published. One of the things in particular I should like to know is whether he ever foresaw the possibility of his successful campaign to oust Lloyd George resulting almost at once in the French occupation of the Ruhr with all its future consequences of evil for western Europe. Even on those matters on which I have expressed a view I am conscious of having presumed too much on insufficient knowledge. But my object will have been achieved if I can help dispose of the idea, wheresoever it may exist, that Mr. Baldwin was, as it were, a pygmy who found himself almost by accident in charge of great events, and who discovered that the events were beyond his capacity to direct or even to understand.

III

Parliament met again in the middle of February. The King's Speech referred to the American debt settlement and also to the occupation of the Ruhr, but its main theme was still unemployment. The debate on the Address followed the course of the earlier one of November; the class war and the impending collapse of the capitalist system were

prominent. Mr. Baldwin, who had dared to withstand the Prime Minister over the debt, was clearly the second man on the Government side in the House of Commons, and to him was assigned the task of winding up the debate on the main Opposition amendment to the Address.

The Chancellor rallied Ramsay MacDonald on having developed a Palmerstonian outlook and Clynes on the utter vagueness of his suggestions for reducing unemployment. He said that unemployment was not due to original sin. The inventive genius of our people had built up an elaborate industrial system in an astonishingly short space of time. This system had brought great benefits to mankind but it had contained defects which were bound to cause trouble in the future, and these defects the country, dazzled by the rapid development of the new order and the prosperity engendered by it, had overlooked, in spite of the warnings of such men as Shaftesbury, Charles Kingsley and Ruskin. Simultaneously, there had grown up a wonderful but intricate and delicate mechanism of external trade and foreign exchanges. But now our industrial structure had been distorted and the machinery of exchange had been smashed as a result of the war. The war, therefore, was the real cause of unemployment and the effort to relieve it had naturally involved a good deal of experiment and improvisation. It was not true that industrialists took no thought for their workers and Mr. Baldwin disclosed how, as far back as 1910, he had paid his employees an allowance from his own pocket while they were out of work in consequence of a strike which they had had no share in calling. Since then the collective conscience of the country had developed a great deal and we had instituted, among other things, an extensive plan of Unemployment Insurance. He gracefully complimented Sidney Webb who had, just previously, spoken on this subject, and said:

> There are men on this side of the House as well as on his who dream dreams and hope to see their dreams take practical shape.

He described how the Government was striving for peace in international relations and spoke of the U.S. debt settlement as a mark of his

belief in the sanctity of contracts. Finally he took up Walton Newbold's prophecy that the Soviet system would, before many years, spread throughout Europe, and asserted that no gospel founded on hate would ever seize the hearts of our people.

> It is no good trying to cure the world by spreading out oceans of bloodshed. It is no good trying to cure the world by repeating the pentasyllabic French derivative 'Proletariat'. The English language is in thought the richest in the world. The English language is the richest in the world in monosyllables. Four words of one syllable each are words which contain salvation for this country and for the whole world. They are 'Faith', 'Hope', 'Love' and 'Work'. No Government in this country today which has not faith in the people, hope in the future, love for its fellow men, and which will not work and work and work, will ever bring this country through into better days and better times, or will ever bring Europe through or the world through.

This was the first of the speeches in what afterwards came to be recognized as the characteristic Baldwin pattern. It made a great impression both in and out of Parliament and it brought a considerable number of complimentary letters, including, I remember, a very charming one from Lord Haldane. The speech seemed to come straight from the heart and from the heart of one who, though half a Scot, had all the Englishman's tolerance, kindliness and love of his own language and traditions. And, taken in conjunction with the personal and constitutional disadvantages of Lord Curzon, it marked out Mr. Baldwin as the successor should anything happen to Bonar Law.

I said earlier that it was the more leftward members of the Labour Party who were to make the running in this Parliament, but this was an over-simplification. There were in the much enlarged Labour representation in the new House of Commons quite a number of groups holding different doctrines. Some of the doctrines were mutually irreconcilable and sometimes these conflicting tenets appeared in the same group. The position of the 'Clyde Gang' was clear enough. They were Marxians; they wanted 'socialism in our time' and 'expro-

priation without compensation'. Mr. Maxton was typical in saying 'my function as an agitator is to fan the flames of discontent'. These left wingers, therefore, never lost an opportunity of bemoaning the miseries of the unemployed and of exposing the crimes of capitalism. They made it their business to get into trouble with the Chair and in their constituencies they spoke slightingly of Parliamentary institutions.

Two other elements were the Trade Unionists and that solid body of nonconformity which the Labour Party had largely won over from the Liberals. These two were by no means mutually exclusive but Trade Unionism, which provided the great bulk of the party funds, was more noticeable than nonconformity. They were united in pressing in season and out of season demands for social reform, by which they meant new and bigger benefits from the Exchequer for all sorts of needs or contingencies which, until Lloyd George had first introduced his schemes for Insurance and Old Age Pensions, had been met only by private charity or under the Poor Law. This policy had the advantage of being at once humanitarian and good vote-catching. With every extension of the franchise it has become a larger and larger part of political programmes and it has now reached the stage where it no longer pretends to be directed to the accidents of life such as sickness or unemployment but is a conscious redistribution of incomes so as to produce a much greater measure of equality. The specifically nonconformist influence manifested itself on behalf of Indians in India, the coloured races of Africa, Armenians in Asia Minor, and it was quick to nose out infringements of the liberty of the subject in our own country. This influence owed something to Rousseau as well as to the founder of Christianity. Trade Unionists and nonconformists alike paid lip service to socialism but the homage probably didn't mean very much.

Mr. MacDonald and his lieutenants were hard put to it to drive so many horses in one chariot but in this session they did it with no little skill. When his more rumbustious followers fell foul of the Chair, he contrived to sympathize with their over-welling emotion while deprecating the indecorum of the actions which the emotion pro-

voked. He managed in his own speeches to convey a determination to pursue patient and constitutional means for the achievement of the millennial socialist goal, while insisting that, however distant it might be, there was no doubt about the goal being socialism. He also asked for special days to debate such daring-looking nostrums as the Capital Levy while in March the party succeeded in getting part of the time allotted to private members for a motion:

> That in view of the failure of the capitalist system to adequately utilize and organize natural resources and productive power, or to provide the necessary standard of life for vast numbers of the population, and believing that the cause of this failure lies in the private ownership and control of the means of production and distribution, this House declares that legislative effort should be directed to the gradual supersession of the capitalist system by an industrial and social order based on the public ownership and democratic control of the instruments of production and distribution.

I well remember this debate which was very much heralded in the Press. Mr. Snowden was to open and he was to be immediately answered by Sir Alfred Mond (afterwards Lord Melchett) who was perhaps the most prominent industrialist of the day. After the first round the debate was adjourned, and it was only concluded four months later. In the division socialism was rejected by more than three to one. Most of the leading political figures took part in the discussion including Lloyd George, Ramsay MacDonald, Arthur Henderson, Mr. Clynes and Sir John Simon. Snowden started by describing his motion as a direct challenge to the upholders and defenders of the capitalist system and proclaimed the necessity of making of a subject, which had been so much discussed on political platforms, a direct issue in the House of Commons. For thirty years, propaganda had been carried on in favour of the ideals set out in the resolution, and it was evidence of the progress which they had made that a debate which had begun on street corners could now be carried into Parliament.

He then developed in moderate terms the conventional attack on the capitalist system. It produced widespread unemployment, excessive employment in 'parasitic' occupations which catered only for the enjoyment of the rich, and a staggering concentration of wealth. Under it the vast process of invention and industrialization had improved the lot of the worker to an infinitesimal extent only; the condition of agriculture was very bad; strikes were endemic, so were overcrowding and slums, and competition was giving way to trustification. Capitalism might be a necessary stage in human progress but it was only a stage, and it was passing away before our eyes. What was it then that Mr. Snowden wanted?

> We propose no revolution and we do not propose, and I certainly always will resist any proposal of confiscation. It is the longest way of attaining your object, and the certain way to disaster. There is no analogy between socialism and bolshevism.

And again:

> There are three or four ways in which we have been dealing with the capitalist system and all we suggest is that we should continue on these lines but move much more rapidly. We are not advocates of confiscation or of resort to force and, though I am speaking for myself, I think I shall carry the approval of all members of my party when I say we want no further step forward until the previous step which we took has been justified by success.

Parliament had first intervened in order to restrain some of the more unlovely misdeeds of capitalism. Then it had had to occupy itself with remedying the shortcomings of private enterprise, sometimes by subsidizing it, at other times by superseding it. But both restraints and supersessions had been slow and reluctant. Now it was proposed that they should be the result of conscious and steady policy. It did not matter what happened to the motion in that Parliament. The Parliamentary Labour Party had grown from nothing to 144 and it would go on working in the certitude 'that some day there will be established an economic and social system where individual ambition

and private enterprise will find their satisfaction, not in the amount of tribute they levy on their fellows but in the greatness of the service they render to them'.

Not much Marxism here!

The motion was seconded by one of the leftists in a short but pungent speech on the usual theme of 'starvation in the midst of plenty'. Sir Alfred Mond's counter-attack was weighty and effective, but anybody who wants to read either it or any of the other speeches can find them in Hansard. If he does refer to them he will find that in the twenty years and more which have passed, very little that is new has been added to the arguments between socialism and private enterprise unless it is the eschatological view of Professor Hayek that socialism is a process which in the long run must develop into totalitarianism. The majority to which Mr. Snowden looked forward has now been achieved and the Socialists number two-thirds of the House of Commons. But there is as yet small sign that socialism is producing a system 'where individual ambition and private enterprise will find their satisfaction, not in the amount of tribute they levy on their fellows but in the greatness of the service they render to them'. And there is certainly no question of waiting for each step to justify itself before embarking on the next.

In the middle of April came Mr. Baldwin's one and only Budget. It was a very unexciting affair. After referring to the difficulties of prophets in a world of rapidly changing values, he told how the year 1922-23 got steadily better as it proceeded. Trade had improved, unemployment had decreased, Government securities had appreciated, Savings Banks deposits had increased, and there was a surplus of more than 100 millions, even after charging to revenue the contractual sinking funds which Horne had taken power to borrow. This was more than explained by a reduction of expenditure. Of the total savings of nearly 120 millions, 30 millions was on debt services mainly on account of the lower volume of Treasury Bills and reduced rates of discount on them, while the rest was on supply services and was the result of the fall in prices and in wages, especially that element covered by the Civil Service cost-of-living bonus. The estimates for 1923-24

showed a prospective surplus of £36 millions after providing £40 millions for debt repayment, this being part of a plan for working up to an annual sinking fund figure of £50 millions. Some steady policy of this sort was necessary because of the huge amounts of debt falling in over the next seven years. The surplus was mostly due to non-recurring receipts and a certain caution must therefore be observed. There must be further reductions of expenditure and we must look round for new sources of revenue. Mr. Baldwin proposed, therefore, to set up a Select Committee to see if there was anything in the suggestion of taxing betting transactions which had been thrust on him from many quarters. Stricter measures to prevent tax-dodging were also adumbrated. The surplus was devoted to some minor postal concessions, to reducing the tax on beer by 1d. a pint and to lowering the standard rate of Income Tax from 5s. to 4s. 6d. The Chancellor hoped that there might be additional concessions in the future, but said that industrial peace would do more for trade than mitigating taxation.

The debates on the Budget and the Finance Bill which embodied it brought out little which is of interest twenty years after. Mr. Snowden made a series of attacks on what he called a 'rich man's Budget' and did so with that mixture of grim, sardonic speech and twinkling blue eyes that I was afterwards to know so well. But there was precious little socialism in his utterances. For the rest, the criticisms were self-destructive and Mr. Baldwin was able to dispose of his opponents by a light-hearted reference to the three-cornered fight in *Midshipman Easy*. On another occasion, a certain member asked him somewhat portentously to declare whether he was in favour of inflation or deflation. The Chancellor of the Exchequer replied that on this important issue he was a 'mugwump' and in those few words were contained all the essence of what economists have since taken hundreds if not thousands of books to say.

Long before the Finance Bill had reached its closing stages, Bonar Law had ceased to be Prime Minister and Mr. Baldwin had taken his place. Just before Easter, Mr. Law had been forced to stay away from the House owing to an affection of the throat, and the Chancellor of

the Exchequer had deputized for him, though Lord Curzon had presided at Cabinet meetings. When Parliament reassembled in April, Mr. Law reappeared, but only for a few days. There was no escaping the fact that he had cancer of the throat. He formally resigned during the Whitsun recess, and by the time the House resumed on the 28th it had a new Leader. The circumstances in which Mr. Baldwin was chosen and the bitter disappointment of Curzon at being passed over for a much younger and lesser-known man have often been described and I have no intention of adding another account. Probably the most graphic narrative of this time is that contained in the portrait of Curzon which is included in Mr. Churchill's *Great Contemporaries*. I am certainly not foolish or presumptuous enough to seek to paint that particular lily.

In the new Government, Mr. Baldwin was Chancellor of the Exchequer as well as Prime Minister. He had invited McKenna to desert the Midland Bank for the Treasury but the latter, on his doctor's advice, stipulated that he should be provided with a constituency which would not involve him in the rigours of an ordinary by-election. This in effect meant one of the two City of London seats. The business of persuading one of the existing incumbents to resign in his favour meant a certain amount of negotiation and in the meantime Mr. Baldwin assumed the double responsibility. To lighten the Treasury part of his burden a rather more than usually senior Financial Secretary was appointed (with a seat in the Cabinet) in the person of Sir William Joynson-Hicks. To him fell most of the detailed work in connection with the Finance Bill and Mr. Baldwin only appeared on the more important occasions or to defend what were peculiarly his own policies such as the American debt settlement or the institution of regular sinking fund arrangements. I confess that I had hoped that Mr. Baldwin would take me with him to No. 10 as his Principal Private Secretary, but he decided to retain Bonar Law's staff intact. I was very disappointed at the time, but looking back I am reasonably sure that it was better so. Nobody can tell what would have happened to his life if at a particular crossroads he had been propelled in a different direction. But it is certain that I should not have had the

privilege of serving Mr. Snowden and that I should not have had my five years of intimate daily association with Mr. Churchill. If the former had not happened, I doubt if I would have been appointed Chairman of the Inland Revenue in 1930, and if the latter had been otherwise, I should assuredly not have become Secretary of State for War in 1942. Moreover, I should have missed two of my most cherished admirations and, I may say, two of my most valued friendships.

The main preoccupation of the House of Commons for the rest of the session of 1923 was the Ruhr invasion, but as I think it is impossible to overrate the importance of that 'incident' in our affairs, I propose to devote a separate section to it covering the whole period of the occupation from January 11th, 1923, up to the agreement to terminate it at the London Conference of August 1924. In the meantime, I return to the domestic events of 1923.

Soon after the House rose in August, the Prime Minister finally abandoned hope of creating a vacancy for McKenna in the City of London – though it is to be observed that one of the sitting members did in fact accept a peerage less than six months later – and he appointed Mr. Neville Chamberlain to the Treasury instead. The latter's first tenure lasted for no more than five months and the only features I remember clearly are that it included a visit from Dr. Schacht and that it terminated in the General Election at which Mr. Baldwin sought to obtain freedom from his predecessor's restrictive pledges in the matter of Protection. Dr. Schacht was an unimpressive, mild-looking man who gave no indication that he aspired to be the Chancellor of the Reich on a somewhat aggressively nationalist ticket, or that he would become notorious as the man whose financial ingenuity would enable Hitler to prepare for a war which would carry the German arms over the greater part of Europe. Indeed the sole recollection I have of that early sight of him was of his bemoaning the British policy of slaughtering animals infected with foot and mouth disease and burning their carcasses, at a time when so many Germans would have been willing and anxious to consume them for human food.

Even on my first short acquaintance with the future Prime Minister it was easy to see that he was a very efficient administrator, that he readily mastered briefs on the most complicated subjects and could expound them cogently and persuasively. He was at home in the sphere of social policy and he had a great record in local administration. Both now and in his second term at the Treasury he was clear-sighted and competent with perhaps a leaning to orthodoxy and a distaste for high-flying. He was a pleasant chief though shy and reserved, so that those who worked for him could rarely discover the humanity and kindliness that were undoubtedly there. Sometimes they shone through the cloud, particularly when one happened to touch on one of the Chancellor's private enthusiasms such as birds or the topography of Rome or his relations with his family. Nevertheless, reserve was the normal attitude and I am not sure that it did not lead to a certain fallibility in his judgment of persons and as a corollary to a lack of sureness in appraising political situations. Of the latter, his share in Mr. Baldwin's decision to appeal to the country in October 1923 was probably a very good example and I remember an instance of the former just as he was on the point of leaving the Treasury. An old and experienced member of the House of Commons had asked to see him urgently and when I told him this, Mr. Chamberlain wondered what he wanted. I said cynically 'a peerage of course', but my master was more charitable and guessed that what was coming was an invitation to rejoin the board of a company with which he had been connected some years earlier. When the interview was over, Mr. Chamberlain confessed somewhat sadly that I had been right. Of his bitterly criticized policy of appeasement after he had become Prime Minister in 1937 I ought not to judge because I was in India at the time. I am entitled to say, however, that from 5000 miles away it appeared unworthy of the traditions of the British race and that the events connected with Munich made me acutely miserable and ashamed. I learnt later that he had shown great vindictiveness towards those members of his own party who had openly sympathized with and supported Mr. Churchill. I heard, too, that he was uncharacteristically free in his contemptuous references to the leaders of the Labour Party

and, no doubt, this was one of the elements which made them refuse to join his Government when war came so tragically to nullify all his efforts to avert it. I know, further, that I thought that some of his appointments to high military positions at the outbreak of war were not such as to command confidence. But I also know that, once he had invited Mr. Churchill to join his War Cabinet, he gave him every conceivable support and when he, in due course, stepped down in Mr. Churchill's favour, he was utterly loyal to him for the few months of life which were all that remained.

The new Chancellor was, of course, a confirmed Protectionist and his faith was continually fed by his adoration of his father. No doubt this faith led him to chafe when the Imperial Economic Conference met in October and he found that, so long as Bonar Law's election pledges remained, it was impossible to do much to meet the desires of the Dominions for fiscal measures designed to stimulate inter-Imperial trade. All that could be done was to undertake to submit to Parliament proposals to impose customs duties on such things as dried fruits, tinned salmon and lobsters, apples and honey, for the purpose of making it possible to admit the Empire articles free of duty. These were really rather ludicrous as the basis of a great Imperial policy and I have no doubt that Mr. Chamberlain brooded deeply on this fact and I daresay that his colleague Sir Philip Lloyd-Greame (afterwards Lord Swinton), the President of the Board of Trade, felt very much the same. Both of them too must have considered that something more far-reaching was required by way of a policy for dealing with unemployment which, though decreasing, was still very high on the standards of those days. At the end of October the annual meeting of the Conservative Party organization was to take place in Plymouth and Mr. Baldwin was to make a speech to the faithful. The speech created a sensation but what it actually portended nobody could say for certain. Mr. Baldwin declared that he had come to the conclusion that he could not hope to produce an effective remedy for unemployment within the four corners of Bonar Law's election promise to make no fundamental change in the fiscal arrangements of the country. This pledge of course bound him and in the current Parliament there

would be no fundamental change. He was not the man to play with a pledge. But he could not see that slight extensions of principles hitherto sanctioned in the legislature was a breach of the undertaking. If, however, he was challenged at any time, he would take the verdict of the country. *The Times* assumed that this did not mean an immediate election, which would certainly have come as a popular shock, but that it was merely the first engagement in a developing campaign. On the other hand, Mr. Neville Chamberlain, in addressing an overflow meeting at Plymouth had said: 'If we are to be in a position to deal adequately with the situation of unemployment *next winter* it will be necessary that we should ask to be released from that pledge.' He also hailed Mr. Baldwin's announcement of the acceptance of his father's full programme of 'Imperial development and help for our own people'. These remarks could only mean an election not later than the opening weeks of the New Year and the inclusion of food taxes in the programme, both of which caused a great deal of excitement and comment – and even anxiety. The Tory Party organizers and most of the Tory members of Parliament were against an early election. It was rumoured that the Free Traders in the Cabinet such as Lord Derby and the Cecils would resign if there were any question of taxing food. On the other hand, Austen Chamberlain publicly demanded that the Prime Minister should clarify his intentions. 'Does he mean business? If he does and I think he does, I am with him to the end.' Lord Derby and Lord Salisbury made it obvious that they were against a hasty election and that they were opposed to food taxes and they were, moreover, pretty lukewarm even about further measures of industrial protection. Mr. Baldwin's later speeches did not resolve the mystery of the date of the election but they did concede, in pacification of Lord Derby and the traditionally Free Trade Lancashire, that there would be no taxes on 'wheat or meat', which announcement, however, Mr. Neville Chamberlain narrowed down to mean 'wheat, beef or mutton'. The Conservative Press continued to deprecate a rushed election but began to realize that there was a majority in the Cabinet for this course. The Liberal and Labour Parties sensibly enough assumed that an election was bound to come and made

preparations accordingly. It was plain enough to them that it would turn out to be impossible for a Government to carry on the business of the country believing that its whole duty was to work out a policy, which it was debarred from putting forward in the sitting Parliament, and knowing that its opponents knew that it was actually engaged in drafting the detailed legislation to give effect to this policy. On the other hand the 'prophets' at Lloyd's were laying 7 to 3 against an election before the end of January.

Inside the Ministry there was a constant to-ing and fro-ing and there were private consultations between the Chancellor and the Chairman of the Board of Customs, the results of which became clear when the House met again on November 13th. Ramsay MacDonald virtually opened the proceedings by saying that, in view of certain speeches indicating that a General Election was imminent, the Labour Party would that day hand in a motion of no confidence in the Government. The Prime Minister said that he would have an announcement to make almost at once but first the leaders of the parties were to pay the customary tributes to Bonar Law who had died during the recess. Mr. Baldwin's remarks on this topic, though brief, were, I thought, in exquisite taste and style and he was followed by Ramsay MacDonald, Asquith, Lloyd George – and finally the aged T. P. O'Connor, who, sitting as an Irish Nationalist for what was called the Scotland Division of the English City of Liverpool, alone remained to remind the House of the 'old, unhappy, far-off things and battles long ago'. I remember thinking at the time how difficult it was to associate T. P.'s gentle voice and valetudinarian charm with the venom and vindictiveness of the old Parnellite fights.

Then came the announcement. The Prime Minister explained that he had been pondering deeply over unemployment and that he had reached the conclusion that he could not steer the country through the winter of 1924-25 unless he were in a position to use an instrument which under Bonar Law's pledge he could not use. He had been advised to try to get round this pledge but he had no skill in finding ways round, and had decided that the only honest course was to place his views before the country and take his chance. As soon as he had

done this the speeches of his opponents had made it obvious that there would have to be an election before long, and he had to decide whether it should be sooner or later. If he was to be released from the pledge in time for the new policy to be operative for the winter of 1924-25, the election would have to be well before the next Budget, which meant in effect an immediate dissolution. Parliament would therefore be dissolved on November 16th. The three days which remained before then would be devoted to winding up some necessary business and to the Labour Party vote of censure. Both sections of the Liberals complained of the rushed election on an issue which had not been precisely stated, but as a matter of fact Mr. Baldwin's decision to raise again the fiscal war-cry enabled them for the last time to go to the country as an undivided party, though events were to prove that their unity was to endure for less than a year. As was to be expected, the speeches on the censure motion were all foretastes of the various election manifestos. Only a few things call for specific mention. The first was that circumstances had forced Mr. Baldwin to eschew taxes on wheat, flour, meat, cheese, butter and eggs. The agricultural and Imperial aspects of his new policy had therefore already been jettisoned – though in the election manifesto of the party, it was sought to remedy the former omission by including the promise of a subsidy for arable farming. Apart from these somewhat important omissions, Mr. Baldwin was claiming a free hand and he had appointed a strong committee under Lord Milner to draw up detailed proposals for submission to the next Parliament. Then we had Lloyd George pouring scorn on the Prime Minister generally and in particular on the 'tinker's policy' of 'binding the Empire with dead crabs'. And finally, Wheatley characteristically consigned both Free Trade and Protection to perdition and solemnly warned the House that they were watching a race between reform and revolution.

IV

The election took place on December 6th. I do not remember much about the campaign except that the *Nation* which was then still

pursuing an independent Liberal existence and not, as now, a Socialist one inside the bosom of the *New Statesman*, produced a ribald parody of the concluding verses of James Elroy Flecker's *Hassan*. As everybody knows, the *motif* running through these is – 'We take the golden road to Samarkand'. The parody translated this into – 'We take the people's polls on salmon canned'. The results of the election were not flattering to Mr. Baldwin. In spite of the forecasts that there would be no material change, he found himself in a minority of nearly 100 whereas at the dissolution the Tories had possessed a majority of 77 over all other parties. They were still, it is true, the biggest single party with about 260 seats, but the Labour representation had risen to 190 while the reunited Liberals numbered something like 160. Among the new members were Mr. Herbert Morrison, Captain Anthony Eden and Mr. Hore-Belisha. Mr. Churchill had stood for West Leicester as a Liberal but had been soundly beaten by a Mr. Pethick-Lawrence who, some twenty years afterwards, became a peer and the Secretary of State who abandoned both India and Burma. It was noted that during his campaign Mr. Churchill castigated the Baldwin Government as 'brainless, spineless and dangerous'. The Socialists suffered one important casualty in the person of Arthur Henderson, the secretary and 'boss' of the party.

It was clear that the Liberals would hold the control of the new Parliament and from the moment the results of the polls were known, they were the recipients of advice and blandishments from all quarters. The Tory diehards painted a terrible picture of what would happen under a Labour Government in the way of jobbery, corruption, the subornation of the Army and Navy and the dissolution of the marriage bond. Mr. Churchill proclaimed that the enthronement in office of a Socialist Government would be 'a serious national misfortune such as has usually befallen great States only on the morrow of defeat in war' and that it would delay the return of prosperity; check enterprise and impair credit; and open a period of political confusion and disturbance. This was in essence the line of the moderate Tories also.

The Government very quickly decided that it would meet the House as a Government in January. The Labour Party followed with the

resolution that 'should the necessity for forming a Labour Government arise, the Parliamentary Party should at once accept full responsibility for the government of the country without compromising itself with any form of coalition'. For some reason or other Mr. MacDonald began to belabour the Liberals for their 'dirty hitting' during the election and declared that a Liberal-Tory coalition was being cooked up. He obviously very much wanted to be the next Prime Minister. The Clyde, however, were against taking office without a clear majority and they favoured facing Parliament with a full socialist programme and then, on its rejection, asking for an immediate dissolution. Mr. Wheatley in particular asserted that it would be political madness to leave the impression on the public mind that the Labour movement was not a menace to vested interests. He went on to say: 'Efforts are made to induce the Leader of the Opposition to form a Government and pursue a watered Parliamentary policy for which Liberals would have no deep-rooted hostility. Such a compromise is impossible. It would be a gross betrayal of those tens of thousands of half-starved women who faced the elements in rags to support Labour candidates who had promised to destroy liberalism and the system for which it stood.' On December 19th, Mr. Asquith made it plain that the Liberals would not support the Tories, that subject to this, they would assist in the task of carrying on the King's Government in no petty or vindictive spirit but would not compromise their freedom or independence. He remarked — with obvious reference to the Clyde project for an immediate dissolution — that to dissolve Parliament was the prerogative of the Crown and not that of the Government. This last was taken to be a hint that the Liberals would be ready to take office themselves if need be and the City of London Conservative Association in fact passed a resolution urging that, if the Liberals would not support the Baldwin Government, the Tories should be ready to support a purely Liberal Government.

Mr. MacDonald went on writing and speaking in the guise of a serious-minded Hercules waiting for his next assignment. He was moderate, a little sanctimonious, judiciously vague, but it did appear that he was not thinking of a second election in the near future. On

the eve of the meeting of Parliament, Labour had a great 'victory' rally at the Albert Hall and Mr. MacDonald surpassed himself. The party would take office, not to prepare for an election, but to work; they were thinking not of the party but of the national welfare; peace would be the first task and they would at once put an end to the pompous ostracism of Russia – and a lot more in this vein. He wisely warned his followers, however, that there wouldn't be an early millennium. In all this welter of conflicting advice, promise and prophecy, the country in general and the City of London in particular were remarkably calm and that, despite the fact that there was a continuing crisis in Germany arising out of the occupation of the Ruhr and the French encouragement of a separatist movement in the Rhineland.

Mr. Baldwin met the House to the accompaniment of one of the longest King's Speeches on record. It referred to the setting up of the Dawes Committees, recognized that the Government would not in any case be allowed to carry out the policy of Protection on which the election had been fought but, subject to that, would do whatever was possible to reduce in amount and mitigate in kind the evils of unemployment. In particular it would ask the House to implement the proposals of the Imperial Conference and especially those relating to Preference. It proposed to hold a conference on Agriculture, to expand the Air Force and to lay down a number of new 10,000-ton cruisers. In addition it somewhat naively included in the speech the promise of a variety of expensive measures which would probably not have been mentioned if the Tories had seriously thought that the responsibility for administering the country would still be theirs. Mr. MacDonald naturally ridiculed this death-bed repentance and reminded the House of the patent absurdity of the Government's position. It had fought an election to get freedom to embark on a course of policy without which it would be unable to carry on the government of the country. This freedom had been refused. Nevertheless it gaily came to the House and expressed its willingness to carry on all the same. How could there be any confidence in a Government capable of such manifest inconsistency? For his part he would feel compelled to move

a vote of no confidence at the earliest opportunity. In the course of his speech he observed that 'we must have new minds to deal with Foreign Affairs', that Parliament was under no obligation to endorse the latest extensions of Imperial Preference, and suggested that perhaps a period of minority government was a good thing from the point of view of preserving the rights of private members. The debate on the vote of censure followed very much the course of the previous public discussions. Mr. Asquith settled the issue by stating the Liberal position immediately after Mr. Clynes's opening speech. The Government had asked for the verdict of the country and had got it in no uncertain terms. There could be no question of the Liberals trying to keep Labour out and the Tories in. They would therefore support the motion. In this unprecedented situation Labour had a right to claim the burden of office. But all these prognostications of ruin were hysterical and ridiculous. In our political history there had been a great many prophecies of woe and as Adam Smith had pointed out after Saratoga — 'there is a great deal of ruin in a nation'. It was right that Labour should take office, but there could be no Liberal-Labour coalition, for the differences between them were fundamental and unbridgeable. The House of Commons was, and must remain, supreme and socialist experiments could not be countenanced, but 'in the important sphere of social legislation there is no reason why there should not be co-operation, not merely between Liberals and Labour, but, I would hope, real co-operation between large numbers of all parties. In fields of activity no less than in the reassertion of the moral authority of Great Britain in the councils of the world, there are causes to which the time and energies of this Parliament may be fruitfully given. The Liberal Party, for which I am entitled to speak, without forfeiting their complete and unfe tered independence, and without playing false to any of their principles or promises, are prepared to make their contribution to that task.'

It was an extremely effective speech, perfect in style and full of the almost rollicking humour which distinguished the later Asquith from the earlier man of intellect and ice. And I daresay that the decision which it embodied was unavoidable. Nevertheless it is interesting to

note that it marked the demise of the Liberal Party as a political force, which is in fact what both the Chamberlains prophesied in this very debate. And this disappearance I have no doubt was an unmitigated disaster, for nowhere else have the principles of individual rights and liberties found the same sturdy defence and in no other party has the tradition of freedom of enterprise inherent in liberalism taken firm root.

After the defeat of the Government, the House adjourned till February 12th. In the new Administration Mr. MacDonald was Foreign Secretary as well as Prime Minister, Mr. Snowden was Chancellor of the Exchequer (with Mr. William Graham as his Financial Secretary), Lord Haldane was Lord Chancellor, while Messrs. J. H. Thomas and Arthur Henderson were Colonial and Home Secretaries respectively. For the rest they were a very respectable mixture of elderly Trade Unionists, ex-Liberals, and Fabians like Lord Olivier and Mr. Webb. There was, however, one concession to adventurousness in that Mr. Wheatley appeared as Minister of Health. Incidentally, Major Attlee found himself as Under-Secretary of State for War. The statement of policy delivered by the Prime Minister was in general, indeed almost in vague, terms. He first of all explained that the Government would not resign on snap divisions but only if defeated on an issue of principle. The resolutions on Preference would be put down for the decision of the House; the treaties negotiated by the late Government would be presented for ratification and the promises somewhat insincerely made in the King's Speech about such things as Old Age Pensions would be carried into effect. The new Government would set to work immediately on housing with a view to providing a ten-year guarantee of employment to the building industry and to producing houses not for sale but to be let – at a rent of 9s. a week. Incidentally, it is interesting to note how consistently the Labour Party have hated the idea of working men acquiring any stake in the country by the ownership of their own houses. As regards unemployment, it would concentrate on the restoration of trade and had no intention of drawing off large sums from normal channels of enterprise for use as palliatives. The various

palliative measures in force would, however, be continued and, indeed, accelerated. Some relaxations in the conditions of Unemployment Benefit would be made at once and the actual amounts of benefit were under review. For Agriculture, a plan would be produced some time but it would not include tariffs or bounties; the Wages Boards were to be revived at once. The Capital Levy was, with a great many other things, to be relegated to an authoritative committee which would conduct a scientific survey of our national finances.

Turning to Foreign Affairs, Mr. MacDonald announced that the Government had already, in its opening days of office, recognized Soviet Russia, that it would send to Moscow a complete statement of our grievances and ask for the appointment of an Anglo-Soviet Commission to study them. We should certainly have to insist on satisfaction over the Russian habit of conducting anti-British propaganda and on the other hand we might extend to her the benefits of Export Credits and Trade Facilities, but there was no question of opening special credits. On Reparations we were awaiting the Dawes Report and he couldn't yet say anything about the Ruhr. He could, however, say that faced by new men pursuing a policy of reconciliation, M. Poincaré was displaying a helpful attitude.

Not unnaturally, Mr. Baldwin pointed out how vague all this was, except, of course, for the recognition of Russia, and how like it was to the policy of his Government. He prophesied disillusionment with the Soviets and quoted Zinovieff to the effect that 'We shall support Mr. MacDonald as the rope supports the hanged man' and further 'MacDonald will certainly grovel on all-fours before the opulent English bourgeoisie'. Mr. Asquith, too, commented on the vagueness of the policy and on its substantial continuity with that of previous Governments. It would clearly disappoint those who had prophesied Red Ruin and the 'ardent spirits of the Mountain'. He perhaps unwisely reminded 'the Mountain' that theirs was a minority government which held office in 'fetters and manacles' but he was graciously pleased to commend the decision on Russia.

The appearance in office for the first time of a Labour Government is not to be lightly passed over. I propose, therefore, to spend a little

time in analysing some of its characteristics, together with those of its two main personalities, and in trying to explain its attitude to the two Opposition parties and their attitude to it.

The Government was, no more than the Labour Party itself, homogeneous or coherent. In the party, the Trade Union element supplied five-sixths of the funds and most of the solidity. Generally speaking Trade Unionist members of Parliament were interested much more in 'bread and butter' politics than in abstract economic or social doctrine. Then again there were the 'intellectuals', a term which covered both those who had abandoned the sinking Liberal ship and the original Independent Labour Party propagandists of the type of Mr. MacDonald and Mr. Snowden. And thirdly there were the *montagnards* who followed the lead of the Clyde in Scotland and Mr. Lansbury in England. These last were definitely Marxian and they were frankly revolutionary. The first two classes were in the main desirous of following a moderate line in order to demonstrate the fitness of Labour to govern and to establish it in the place of the Liberals as the alternative government to the Tories. Between them they had the great majority of the members of the Cabinet and in consequence the Government as a whole was disposed to be conciliatory to the Liberals on whose support it depended, though repudiating vehemently any idea of a formal understanding with them. The 'Mountain' were represented in the Cabinet by Mr. Wheatley. It was anxious to destroy the Liberals and to oppose to liberalism and conservatism alike a wholeheartedly collectivist policy. All sections of the party, moderate or extreme, had a queer persisting *schwärmerei* for Russia – the Clyde presumably because here was Marxism in practice, the majority because in Russia alone of all the world was installed a government which they considered really represented the working man. It was at about this time that Lenin died and was succeeded by Stalin. Behind the scenes there was the Parliamentary Labour Party which met once a week at least to give orders to the Government. In a situation where the Government depended on the Liberals, the orders had to be pretty moderate to be effective but nevertheless the weekly meeting was a means of putting pressure on the

Government, and Cabinet Ministers were not infrequently commanded to attend in order to hear how far their performance had fallen short of the party expectations, and some of them were highly sensitive to this caucus expression of opinion. The weekly meetings gave the 'Mountain' opportunities which they did not at all neglect, but they did not stop at private exhortation. They regularly exercised direct pressure on individual Ministers and sometimes flared up in open disapproval on the floor of the House. Some of the less responsible back-benchers in the other two parties, and quite a number of journalists outside, used to amuse themselves by caustic references to the difference in outlook between the Trade Unionists and the Intelligentsia. Occasionally this operated to intensify the internal stresses but, on the whole, and until the final catastrophe of the Campbell case and the Russian Treaty, Mr. MacDonald managed to keep his miscellaneous party together with skill and success.

As I said earlier, I think Mr. Asquith made a tactical mistake in reminding the Government of its 'fetters and manacles'. On top of this, the Liberals got more and more into the habit of rallying the Government on only partially fulfilling its election promises of 'jam for all' and they quite irresponsibly tried to outbid it in speech if not in vote. Before long the Labour members came very near to active dislike of their Liberal allies and gaolers. The Tories did not of course make it easy for the Liberals by continuously jeering at them as the 'patient oxen' of the Government and no doubt these jeers led the goaded to try to gore the Government into altering its major policies under threat of a hostile vote, and actually to vote against it on issues which were clearly not matters of confidence. I remember – and I expect it was a typical example of the Liberal attitude – an ex-Liberal Cabinet Minister coming into the Division Lobby one night from an appointment outside and asking some of his fellows – 'Is it safe to vote against the Government?' On another occasion on a Finance Bill amendment they produced the embattled legal skill of Mr. Asquith and Sir John Simon to try to defeat the Government despite the fact that the defeat would have involved a loss of revenue of several million pounds in a cause quite without merit. Luckily, however, the Tories

were more conscientious and, after Mr. Snowden had sent me to explain the situation privately to my old chiefs Mr. Baldwin and Mr. Neville Chamberlain, the latter came out in support of the Government and he carried enough of the Tories into the Government Lobby to save the original clause. The Tories were clearly much wiser in their attitude but of course they had an easier role to play. Except for two outbursts of indignation over Mr. Snowden's Gladstonian dislike of Protection and Imperial Preference, they confined themselves until the final crisis in October, to gently pointing out the difference between promise and performance. Consequently the Labour Party got into the habit of regarding the Tories as honest opponents while they grew in time to hate the Liberals and in the end they laid themselves out to destroy liberalism as a serious political force. No doubt the Tory attitude was very much the work of Mr. Baldwin and it was an illustration of his capacity, at this period at any rate, to keep the necessary oppositions of political parties reasonably free from the undue acerbity which leads to lasting rancour.

I have already said that the general policy of the Government was one of moderation with occasional concessions to the leftists. The object of the moderation was to reassure the timid both abroad and at home, while the aim of the concessions was, presumably, to demonstrate how quickly the Liberals would pull the Government up if it tried to make any serious advances towards real socialism. To begin with, Mr. MacDonald was a success, both as Prime Minister and as Foreign Secretary, but the double burden was more than one man could carry for long and in any case Mr. MacDonald was a great centralizer. In the sphere of Defence the Government decided, much to the wrath of the Liberals, to go on with building cruisers, but it pleased both the Liberals and its own supporters by suspending work on the naval base at Singapore. I expect a good many people in 1942 thought it a pity that the Tories ever re-started this, in the event, quite futile enterprise. But this was a superficial judgment for I have always considered that the real tragedy of the Singapore decisions was much more that Lord Beatty's view prevailed over that of Lord Trenchard in regard to the methods to be adopted for defending the base. The

naval view meant fixed defences and big guns and forts, and these turned out to be useless. But it might have been a very different story if Lord Trenchard's plan of entrusting the protection of the fortress predominantly to the air had carried the day.

In the fiscal and financial realm, Government policy was entirely dominated by Mr. Snowden. This meant that it was more radical than socialist and that it was pretty orthodox radical at that. There was to be no truck with Protection and no extension of Preference; indeed food taxes were lowered whenever possible with the result that even existing preferences were reduced. New social expenditure was on a safe and unflamboyant scale, and both the rather tiresome outbiddings of the Liberals and the grumbles of the Clyde about the non-fulfilment of pledges were taken philosophically. The most in the way of rashness Mr. Snowden ever permitted himself was to accept a private member's motion in principle while making it plain that fulfilment must await the appearance of more money. And, as I have said before, there was always the device of pushing off the more frightening of the financial policies, which had formed part of the Labour programme, on to committees with wide and somewhat vague terms of reference. These committees were usually large; they were always widely representative and the Labour nominees were, generally speaking, men of weight and repute. They were not expected to report too quickly.

On unemployment the Government ran into great trouble. The Labour Party had stridently claimed at the election that they alone had a remedy, but when it came to the test, it appeared that the remedy was just socialism, which a minority government clearly could not introduce. Mr. MacDonald had therefore to fall back on the old familiar devices and even with these the Government made such a poor display that the Liberals were continually threatening to defeat it on this issue. In several encounters in succession, the Government champions had been badly mauled and finally Mr. Snowden had to be called in. There was very little collectivism in his speech, but there was a great deal of sturdy common sense and there was the announcement of two considerable schemes, one for the development of cheap

electricity and the other for placing the beet sugar industry on a solid foundation, not by guaranteed fiscal protection but by a tapering and terminable subsidy. Even these, however, could not conceivably make a material difference to the unemployment figures. Nevertheless, for the first time, the Government had made a sensible and dignified showing in an unemployment debate instead of being self-conscious about the silly election promises of its members, and in consequence the Liberals were glad to be able to cry quits.

In foreign policy Mr. MacDonald made a good start. He was persuaded by the agile and experienced staff of the Foreign Office to lay himself out to charm Poincaré. Of course until the Dawes Committee reported, there were no active subjects of disagreement, but all the same the Foreign Secretary had a great measure of success in keeping the French President of the Council in an amiable temper. And then came a great stroke of fortune, for at the French election in May the parties of the Left gained extensively from the Right and M. Herriot replaced Poincaré. All the same Mr. MacDonald did very definitely get on good terms with the French and his conduct of the Dawes Plan negotiations in July and August left little to cavil at. It is true that the Chancellor of the Exchequer thought his chief had been too considerate of French feelings against a too early evacuation of the Ruhr, but in the light of after events these things appear differently and I, at any rate, have definitely the opinion that the Prime Minister managed the whole Reparations business with great skill. This was unfortunately not the case with the Russian negotiations. But it is only fair to say that these he left mainly to his subordinate Mr. Arthur Ponsonby, that when they came to a crisis he was actually heavily involved in the Dawes Conference, and that he could give only a perfunctory attention to this lesser but politically very explosive question.

Apart from the physical impossibility of one man carrying the dual burden, Mr. MacDonald made matters a good deal more difficult for himself in other ways. He did not eschew the social life. Indeed he liked the flattery which he so freely got from the rich and socially powerful. He was a romantic mysterious figure and life in big houses

attracted him, and he was never so happy as when in the midst of a circle of adoring women. And then his Celtic habits of mind and speech were less successful in the House of Commons than they were on the platform. Pious generalizations, emotionalism and vagueness were no good when hard facts and clear statements were wanted, and he often managed to convey the impression that he was being evasive and disingenuous whereas he was only being mystical or imprecise. Personally I have always thought that this impression of deviousness had a good deal to do in bringing about the combination of Liberals and Tories which defeated the Government in October of 1924. Another trick of his which began to irk the Commons was his assumption of the air of the weary Titan who was the victim of the active malevolence of Liberals and Conservatives alike. This act was usually put on when he was reminded of the non-fulfilment of pledges he had rashly given at the election. It is only fair to say, however, that his readiness to abandon pledges which he had given in ignorance or thoughtlessness, when he found out how impractical or unwise it would be to carry them out, seems to me a matter of merit rather than the reverse. It is better not to give silly pledges, but having given them it is sillier to try to carry them out than to try to forget about them.

For Philip Snowden I had the most profound admiration and affection. He has been dead now for ten years and the affection is only a precious memory. But even the disillusionment produced by the second World War has not served to diminish the admiration in any essential particular. His supreme quality was courage and courage far beyond the mere fortitude of enduring without complaint the pain and inconvenience of his partial paralysis. Of a much higher kind was the courage which on a matter of conviction or principle would resist any enemy – whether within or without the gate. In his first term of office he fought with the greatest vigour his political foes and, with scarcely less vigour, those of his own colleagues or of his party behind him who tried to persuade or coerce him into courses of which he disapproved. For the purpose of these battles he would put on a grim firmness of jaw and a sharpness of tongue which frightened and infuriated his opponents, but when the battle was over he allowed full

rein to a private charm and humour which few could resist – not even those with whom he had been lately in conflict. Another of his dominant qualities was his utter integrity. In fact he possessed all the virtues of the best type of Yorkshire nonconformist and in addition he had the gift of attracting affection which is not normally regarded as a peculiarly Yorkshire attribute. Of all the Ministers I have ever known, he was easily the most popular with the Civil Servants who worked for him. This is not very surprising. In the first place he was the ideal of what a Minister should be in that he gave a clear lead on all questions of policy, interfered rarely, if at all, in matters of administration, gave decisions quickly and unequivocally, and then defended his decisions against all comers with confidence and vigour – and nearly always with success. Civil Servants, in fact, knew exactly where they were with him and could rely absolutely on his courage and good faith to defend his own actions and theirs. When there is added personal charm, humour and real kindliness and, to his subordinates, gentleness as well as strength, can it be wondered that he is the most beloved of all the many Ministers I have served or known? I must confess that at times I thought he somewhat misused his acidity of tongue and created unnecessary pain or resentment among his Cabinet colleagues and among members of all parties in the House of Commons. But I know of few instances – at any rate until the break-up of the second Labour Government in 1931 – where this resentment endured for long, and I have known him make the most handsome formal apologies when he could be convinced that he had been over the odds. At the start of this Parliament, both the Chamberlains spoke as if his bitterness of speech was the fruit of a distorted and crabbed nature, but to my knowledge they both came to recognize the sterling worth of the man and his essential humanity, without, however, abandoning their deprecation of his facility for heightening controversy rather than assuaging it. He got on well with the City of London and especially Mr. Montagu Norman but I do not remember his surrendering to either on any point on which he hadn't been completely convinced. Those of his Labour colleagues who afterwards came to hate him so much for his share in their defeat at the election of 1931 would, I

imagine, say that his cordial relations with the Bank of England and the Treasury Civil Servants were the natural outcome of a financial outlook sympathetic towards traditional and orthodox views. And it is certainly true that his passionate adherence to Free Trade, his contempt for all humbug, his belief in the restoration of the Gold Standard as a necessary prelude to world recovery after the war, and his habit of emphasizing duties rather than rights – that all these commended him to both Treasury and City of London. But there was much more to him than all this. He was a genuine man of the people, he insisted on reducing the taxes that pressed hardly on the poor, and, if he tended to be cautious in the question of advances in social services, this was primarily because he was anxious not to make advances that could not be sustained. I never want to have a more admirable and delightful chief and I often wish that this modern and rather namby-pamby age produced more of his kind.

I have spent too long over the characteristics of the first Labour Government and it is high time that I got on to those events in its short career of which I had an inside view. These I take to be the first Labour Budget, the negotiations leading up to the adoption of the Dawes Plan for Germany, the Anglo-Russian discussions and the Campbell case which finally led to the fall of the Government. The last two of these are to a considerable extent connected, for both arose out of the fact that, after six months or so in office, the Government seemed to have become unduly sensitive to pressure from its left wing, which resulted in actions inconsistent with previous public declarations and culminated in the withdrawal of Liberal support and a General Election.

By way of digression I should like to refer to the by-election which took place in the Abbey Division of Westminster in the month of March. I was an elector in this division, my wife having purchased the long lease of No. 39 Grosvenor Road, two doors from the shrine which so long housed the Webbs. It was, from the outside, an unattractive mid-Victorian house but it was solid and comfortable within and the view over the Thames with its constant movement and interest was a perpetual joy. But the chief merit of this new

abode was that it was only seven minutes walk from the House of Commons and fourteen from the Treasury. It provided me therefore with a useful and regular source of healthful but not excessive exercise and it enabled me to get home to lunch nearly every day. The Abbey Division was, of course, a traditional Conservative seat but at this 1924 vacancy Mr. Churchill decided to stand as an 'Independent and Anti-Socialist' against the official Tory nominee. The adherents of the latter were very much upset and their canvassers, judging from the one who called on my wife, took the line of persuading the electors to vote for their man if they could, but if they couldn't, to vote for anybody rather than Mr. Churchill. This persuasion had no effect on the Griggs but it seemed to have succeeded elsewhere for the Labour candidate polled a large vote and the official Tory squeaked home by 43 votes from Mr. Churchill. This election was a very definite stage in the Odyssey of Mr. Churchill's return in the Conservative fold. A further milestone was soon reached when he was adopted by the local Conservatives as the Constitutionalist and Anti-Socialist candidate for the Epping Division of Essex.

And now for the Budget. Mr. Snowden reminded the House that he was the first person to become Chancellor of the Exchequer without previous ministerial experience and that he was opening his Budget on the anniversary both of the introduction of the Lloyd George Budget in 1909 and of its final passage into law a year later. He explained that the year just ended had produced a surplus of more than £48 millions due, not to deliberate over-caution in estimating, but to the decision of the Labour Party to abandon certain items of armaments expenditure and to improving economic conditions. It was legitimate, therefore, to take an optimistic view of the current year's accounts and he calculated on a surplus of £38 millions. Of this he proposed to devote £24 millions to reducing the taxes on food and a further £10 millions to repealing the Inhabited House Duty, the remnants of the Corporation Profits Tax and the highly protective 'McKenna' Duties – mainly on motor cars – which were a hang-over from the war. This left a nominal surplus of only £4 millions to cover the first year's cost of the various social expenditures and so there would have to be

some more economizing. As regards Preference, the recommendations of the Imperial Conference would be brought before the House individually but, for its part, the Government would oppose all of them.

The Budget generally had a good reception and it was considered to be sound and judicious as well as skilful electioneering. Criticism fastened only on the inadequacy of the margin left for social advance, on the removal of the McKenna Duties and the non-implementation of the Preference proposals. The Chancellor's answer to the first of these was that the social commitments of the Government would not cost much in the first year and it would be time enough in the following year to decide whether the programme would involve increasing taxation. On the other two the Tories worked themselves into a rare rage. In the case of Preference there was some reason and a great deal of sincerity in this, and indeed the Government only defeated those of the proposals which involved no more than the increase of preferential margins in relation to taxes already existing by a few votes, six in the narrowest instance. This was due to the fact that practically all the Lloyd George Liberals and one or two of the Labour Party voted with the Tories while the Clyde showed their dislike of both sides by abstaining. On the McKenna Duties, which at a level of $33\frac{1}{3}$ per cent produced a revenue of no more than £$2\frac{1}{2}$ millions a year, the agitation was entirely factitious. However, Mr. Baldwin demanded and got a special day to discuss the matter but the only result was to give Mr. Snowden the chance of an extremely effective exposure of the unscrupulous methods of the motor-car manufacturers, for example, in sacking their workmen to make their prophecies of woe at any rate look plausible and in circulating estimates of the inevitable discharges which added up to more than the total numbers employed in the industry. The old man wasn't particularly gentle in dealing with these idiocies and Austen Chamberlain was led to condemn his 'studied offensiveness' and his pleasure in performing disagreeable tasks. After a quarter of a century covering the second World War this all looks very small beer.

The Dawes Plan I propose to deal with in the separate section about

the Ruhr occupation. There remains the Russian agreement and the Campbell case. It will be remembered that the Prime Minister, in his first declaration of policy on January 12th, announced that Soviet Russia had now been officially recognized and that a list of our 'grievances' had been sent to Moscow with the proposal that these and any countervailing complaints should be considered by a joint Anglo-Soviet Commission. This commission was formally inaugurated on April 14th after which it was relegated to Stygian darkness for more than three months. Numerous attempts were made to elicit what was happening behind the curtain but these were completely unsuccessful. There was a full-length debate on July 7th but all that could be got from Mr. Ponsonby was an assurance that everything would be laid before the House in due course. Somewhat later he promised that there would be no treaty with Russia until the House had been given an opportunity for discussing the matter, and a little later again the Prime Minister undertook to make a statement before the recess. On more than one occasion Mr. MacDonald declared that there was no question of extending credits to Russia except possibly under the Trade Facilities and Export Credits schemes, and even then only on the same conditions as applied to other countries. Outside the conference there were certain contacts between M. Rakovsky and the representatives of the bondholders and of the owners of confiscated properties and businesses. These did not produce much of consolation to those who had lost their incomes, but M. Rakovsky did apparently mention that Russia was in need of large credits. Obviously the Russians were being very difficult and were showing no undue sympathy with, or consideration for, the first British proletarian Government. Indeed on the night of August 5th, the Government was forced to announce that the negotiations had ended in complete failure. However, some of the more leftist of the Government supporters put pressure on Ministers and the discussions were renewed the next day in such a melting mood on the part of the British that Mr. Ponsonby was able to announce on the afternoon of August 6th that an agreement had been reached a few minutes before. The agreement in effect covered two treaties. One of these was a

Commercial Treaty in the normal 'most favoured nation' form plus a promise of diplomatic status and immunity to a certain number of Soviet trade agents; the other dealt with the rights of our fishermen to pursue their lawful occasions off the Russian coasts and, in addition, the various financial claims and counter-claims. The second treaty also contained an undertaking from the Russians in the matter of propaganda. So far as the financial claims were concerned, those between the two Governments were put into cold storage. For the bondholders, the Soviet produced an admission of liability plus an agreement to negotiate a settlement – it being understood, of course, that the settlement would be on a very much written-down basis. To deal with the property claims of private individuals and companies, a joint committee of investigation was proposed, after which there would be a decision on a lump sum to be paid by Russia to allow of a (smallish) dividend to the claimants. When all the various sets of negotiations had been completed, the results would be embodied in a final treaty and as a part of this, the Government would ask Parliament to guarantee a loan of £30 millions to the Soviet Government.

Mr. Ponsonby's announcement created great fury in the House. He and the Prime Minister were accused of having broken their pledges. The Under-Secretary was reading from a very much amended draft of the proposed agreement which it was intended to sign the following day. Liberals and Conservatives alike demanded that the House should see the document before it was signed. The storm continued the next day and Mr. MacDonald had to be fetched out of his Dawes Conference to allay it. Neither he nor his subordinate made very good answers to the accusations of disengenuousness but they persisted in their intention to conclude the treaty, leaving the House to object to it on ratification, if need be. They both acclaimed the agreement as holding out the right hand of friendship to Russia. There is no doubt that this hasty reversal of policy created a bad impression among both Liberals and Conservatives and people began to be afraid that, however moderately the front-bench Jacobs might speak, their motions were governed by the Esaus of the Mountain. On the other hand the promise of a guarantee depended on the fulfilment

of conditions which the Russians had no intention of carrying out, which is perhaps why Snowden's consent to the agreement had been given.

Another incident occurring at almost exactly the same time strengthened the fear that Communist influences were at work inside the Labour Party. On August 6th the Attorney-General announced that he had instituted proceedings against one, Campbell, the editor of the Communist *Workers' Weekly* for an article inciting the armed forces to mutiny. There were excited protests from the Clyde and from the followers of Mr. Lansbury but there the matter seemed to end. But it was very far from being the end. When the case came up for hearing at Bow Street on August 14th, the prosecuting counsel, Mr. Travers Humphreys, announced that the prosecution was withdrawn because representations had been made since it was instituted as to the meaning and character of the offending article. *The Times*, in a leader on the following day, demanded by whose representation the prosecution was withdrawn and the answer came from Campbell himself at a Communist meeting ten days later. He said that the case had been dropped, not because of any goodwill on the part of the Labour bureaucrats, but because of pressure from the rank and file. It was almost a month more before the matter received any further notice; when one of the Tory ex-Under-Secretaries made a speech referring to the malign influence of the caucus and another gave notice of some searching questions when Parliament met again on September 30th. Then on September 25th, Sir John Simon made pointed reference to the proceedings in a speech at Cleckheaton. He said that he was not himself generally in favour of prosecuting in offences of this kind but the Attorney-General had taken a different view and had told the House of his intention to take action. At the first hearing the Government counsel had described the case as 'very serious' and had asked for a remand. A week later counsel had said that it had been represented that the purpose of the article was innocent and he was not therefore offering any evidence against Campbell, with the result that the matter was dropped. Meantime, Campbell and his friends had repudiated this suggestion and had proclaimed that it was a group in

the Labour Party who had compelled the withdrawal, and further, that if the case had gone on, a number of Cabinet Ministers, including Mr. MacDonald, would have been called for the defence. This was a very serious matter and it was regrettable that the Attorney-General had not issued an explanation. Anyone who allowed political considerations to affect his administration of the criminal law was quite unfit for the office of Attorney-General and it was just as outrageous to allow British justice to be deflected by Labour pressure as by the money of millionaires.

Other sirens now took up the song, notably Mr. Churchill, Sir Robert Horne and Lord Birkenhead – the last named indeed accusing the Government of having laid hands on the ark and citadel of the administration of British justice. *The Times* too produced another leader demanding the most complete explanations.

This was the situation when the House met on September 30th. It had reassembled for the one special purpose of passing a short Act to enable a Boundary Commission to be set up for Ireland, notwithstanding the refusal of Ulster to appoint its member of it, and there was a gentleman's agreement that no other business should be taken till the House gathered again in the ordinary way at the end of October. Incidentally, during the recess it had become clear that the Liberals disliked intensely the proposals for guaranteeing a loan to Russia and that they were going to put down some sort of motion about it. On the other hand, the Prime Minister had publicly asserted that the Russian Treaties formed an integral part of Labour policy and that, if censured on them, the Government would appeal to the country.

Altogether there was good reason to expect turbulence in the House on the afternoon of September 30th. The Attorney-General was subjected to a lively heckling. He justified the original decision to institute proceedings but went on to explain that Campbell was only a temporary acting-editor, and not, as such, in any way responsible for the policy of the paper; that he was a man of excellent character who had been decorated for gallantry during the war, and had, moreover, lost a foot as a result of his wounds – all of which led him to the view that a jury might properly judge that Campbell was not the sort of

person who should be held to be criminally responsible for the publication. He had therefore directed the Public Prosecutor to offer no evidence against him. Neither Campbell himself nor any other person had attempted to influence his decision and no Minister except the Solicitor-General even knew of it. Naturally enough he was pressed to explain what Mr. Travers Humphreys had meant by referring to the representations which had been made, to which the Attorney's reply was that the prosecuting counsel had told him that very morning that the only representations he had in mind were those made in the House when the prosecution had been originally announced on August 6th. Until he had seen a copy of Sir John Simon's speech at Cleckheaton, Sir Patrick Hastings had been unaware of the statement in court and certainly he had made no representations to counsel. Sir Robert Horne then intervened to point out that Campbell had publicly accepted personal responsibility for all that had appeared in the paper, but the Attorney explained that he had no intention of putting himself in the dilemma of choosing between making a martyr of Campbell and failing to secure a verdict against him. Mr. Baldwin now took a hand by asking whether, in view of the deep interest in the matter and of the inadequate time for discussion which a motion for the adjournment would furnish — and such a motion was in process of being produced by some of the back-benchers — the Prime Minister would agree to allot a day for it when the House met again at the end of October. Mr. Baldwin added that they would be guided by the course of the debate on the adjournment that night in deciding whether to put down a vote of censure for the later occasion. The Prime Minister angrily replied that he was not at all content to wait till the end of October and so it was decided to come to push of pike the following week and not to bother about a pre-liminary skirmish on the adjournment. Mr. MacDonald was then asked whether any directions were given by him or with his sanction to the Public Prosecutor to withdraw the case. His answer was to the effect that he was not consulted either about the institution of pro-ceedings or about the subsequent withdrawal. He had first learnt of the prosecution from the Press and he had never advised its withdrawal

but had left the whole matter to the discretion of the Law Officers in whose province it properly was. I remember hearing this series of exchanges from the Official Gallery at the time and also saying to Mr. Snowden in the Lobby that there would be trouble over the Prime Minister's answer on the question of consultation, which was, in fact, accurate only in a very narrow and pedantic sense. The Chancellor grimly assented. It was during this sitting that Jack Jones repeatedly chanted 'Hogg, Hogg, Hogg' in answer to some interventions on the part of the future Lord Hailsham. *The Times* of October 1st thought that the Attorney-General had cut a sorry figure and its Parliamentary correspondent was of opinion that the Tories and Liberals were inclined to pillory him alone and not the Cabinet as a whole. However, the motion handed in by the Tories was simply to the effect that the conduct of the Government was deserving of the censure of the House. Incidentally, the Communists again ridiculed the Attorney's explanations. *The Times* of October 2nd contained a pronouncement by Lord Birkenhead that in the matter of prosecutions the Attorney-General was obliged to act as a Judge and not as a Minister, and that he should not receive instructions from the Cabinet. He added a list of fifteen teasers which he invited Sir Patrick Hastings to answer. Not unnaturally, the Attorney replied that he would give his answers in the course of the debate on the vote of censure. That afternoon he was badgered again in the House but not very seriously or effectively. A Liberal amendment now appeared on the paper and it turned out to be a reasoned demand for an inquiry by means of a Select Committee of the House of Commons. In the course of the next few days it became clear that the Government was not prepared to make a scapegoat of Sir Patrick Hastings and that it would regard the Liberal proposal for a Select Committee as equally a vote of no confidence. Mr. MacDonald publicly announced these conclusions to a Labour Party meeting at Queen's Hall on October 7th. No doubt he and his colleagues were helped to them by the fact that the Liberals had made it certain that the Government would go out at the end of October anyway on the Russian Treaty and there is also no doubt that by this time the Labour Party had come to be consumed by a corroding hatred of the Liberals.

It was at about this period that Mr. Churchill set up his standard in Epping. Two of the planks of his platform were opposition to the Russian Loan and support of Mr. Asquith's demand for a Select Committee.

At question time on the day of the decisive debate, Mr. MacDonald made a personal explanation about what he had said six days earlier. His remarks then might be taken to imply that he had no cognizance of what was going on. He had not meant that, and was very sorry. Austen Chamberlain rather brutally asked what then had happened which necessitated this correction and the Prime Minister made a grave tactical mistake by answering testily that this would come out in the debate. Under pressure he explained that as soon as he saw the reports (presumably of the Attorney's decision to prosecute) he wanted to know the facts. Then 'I expressed a view on the prosecution – a view not about what was going to happen but what had happened. The Attorney-General reported to us later on the whole situation and the matter was left in his hands'. This, not very surprisingly, produced a new flood of questions, but no further enlightenment was vouchsafed. The substantive motion was moved by Sir Robert Horne. It was a great day for the lawyers and constitutionalists, but the real crux of the debate was whether the Government would be saved by the other two parties getting themselves bogged in the rules of procedure of the House. The Liberal amendment for a Select Committee would be put first. Would the Tories insist on voting against it in order to press the direct motion of no confidence? The Liberals were not prepared to support this and so there was a chance that, though both opposition parties disapproved the Government's actions, or at any rate wanted them investigated, each of them would so press its particular shade of disapproval, that the Labour Party could vote with each in turn to defeat the other. Mr. MacDonald made it much easier for everybody by announcing that he would regard even the Liberal form of motion as a vote of no confidence which, if carried, would involve a dissolution. Mr. Baldwin thereupon led his party into the Lobby in favour of the Liberal amendment which was accordingly carried by 364 to 198. The following day the Prime Minister

announced that the King had agreed to a dissolution and that the General Election would take place twenty days later.

I could not at the time follow all the legal and constitutional niceties of this long contest; nor have I been able to do so since. I thought, and still think, that there was very little, if any, impropriety (as opposed to unwisdom) in anything the Government had done. It is to be noted that under the next Government the Attorney-General was a member of the Cabinet, and further that Mr. Baldwin made a statement before the end of the year about the permitted limits of intervention by the Cabinet in political prosecutions, which would certainly not have condemned the procedure of the Labour Government in the Campbell case. But it must not be forgotten that both Liberals and Tories were disturbed at what they considered to be a growing readiness on the part of Mr. MacDonald to respond to pressure from the Clyde. Moreover, nearly all the Liberals were very resentful that the 'patient oxen' were getting so many insults and thwackings from the Government whose life they were daily engaged in prolonging. It is true that they had themselves largely to blame for this, for, even moderates like Mr. Snowden had writhed under the mixture of hectoring and smug superiority to which Ministers, reasonable and less reasonable alike, were continually subjected. But the fact that they had brought their troubles on themselves could not console the Liberals much. And on top of their resentment and the general disquietude, I feel sure that the Prime Minister's constitutional inability to be precise and the accompanying mystification of his hearers had more than a little to do in creating the alliance which defeated him. Sir John Simon, in a letter to *The Times* when it was all over, pointed out that the Prime Minister had, in fact, intervened on the afternoon of August 6th, the very day on which the decision to prosecute had been made public, and that those who had protested at the decision to prosecute had been informed of the decision to withdraw the same afternoon. But this was not at all plain from any of the Prime Minister's utterances, nor the Attorney-General's for that matter. Moreover, it was an odd thing that none of the protestants of August 6th had opened their mouths during the debate. At the election the

Tories obtained a clear majority and they were in office for nearly five years. Looking back it is easy to see that, once it had been decided to install a Labour Government in office, it was a great pity not to have given it a longer run. It had in Mr. Snowden a superb Chancellor of the Exchequer; Mr. MacDonald, in spite of some lapses, had a heavy credit balance for his conduct of the Foreign Office; the leftward pressure, whatever it amounted to, could never take the Government too far from the middle of the road; the issues which led to its defeat in the House were rather bogus; and finally, the election was seriously influenced by a gigantic red herring, the production of which most of us inside Government service thought, even at the time, to be a really dirty trick. The red herring was, of course, the Zinovieff Letter.

Up till five days before the poll, the election was tolerably unexciting. The so-called 'insurers' at Lloyds started by betting 3 to 2 on a Conservative majority and they gradually lengthened the odds to 13 to 7. The main danger, according to the Tory Press, was apathy. Then, late on the evening of October 24th, the Foreign Office issued a letter of September 15th signed by Zinovieff and others on behalf of the Comintern and addressed to the British Communist Party. With it appeared a formal protest to the Soviet Government bearing that very day's date. The Zinovieff Letter called upon the Communists in Great Britain to put pressure on the Labour Government and Parliament to ratify the Russian Treaty. It denounced Mr. MacDonald's foreign policy as being an inferior copy of Curzon's and exhorted the faithful to work to establish Communist cells in the Armed Forces as well as in factories and depots. The protest was signed by J. D. Gregory, the head of the Russian section, and was directed to M. Rakovsky, the Soviet Government representative in London. It recited the general content of the letter, stigmatized it as a direct interference in British domestic affairs, and, in view of the close connection between the Comintern and the Soviet Government, as a grave departure from the rules of international comity and a violation of specific and repeated undertakings. The last of these undertakings was contained in the recently signed Anglo-Soviet Agreement. Either the Soviet Government had the power to stop this propaganda

business or it had no right to make agreements which it knew it couldn't carry out.

The publication of these documents caused a sensation. From Mr. MacDonald downwards the whole of the Labour Party was dumbfounded, but the chorus of pained indignation from the Tory Press and speakers showed some indications of collusion and foreknowledge. Certainly the Tories exploited both the documents themselves and their opponent's confusion to their heart's desire, and, as it was only three days to the poll, it was obviously very good electioneering for them. The odds on a Conservative majority lengthened to 7 to 3, and even this was a very safe bet. The characteristic line of the Tory speakers was disclosed in a speech by Lord Birkenhead at Brentford on October 27th. He assumed that the letter had come into the hands of the Government agents on September 21st or 22nd, and had reached the Prime Minister and the Home Secretary almost immediately after. And yet for a whole month the Government had said nothing about it. Why was this? And what were the exact dates? Anyhow, a copy of the letter had got to the *Daily Mail* who had patriotically circulated it to every newspaper in the country for publication on the morning of October 25th. The Government got wind of this and, in a panic, it hastily produced and published a protest so as to forestall the *Daily Mail*. The country now knew what a sham and a fraud the Russian Treaty was.

Mr. MacDonald showed some reserve to begin with, but on the day of Lord Birkenhead's speech, he produced the facts as he knew them. The Government had been defeated on October 8th. The Zinovieff Letter reached the Foreign Office on October 10th and had been sent to the appropriate department on the 14th. He had himself first seen it at Manchester on the 16th and had minuted to the effect that great care must be taken to establish the authenticity of the letter. Once this was done it would have to be published at once; so in the meantime a draft reply should be prepared. This draft had been sent to him in South Wales on October 21st, but as he was in another part of the kingdom he did not get it till the 23rd. The following day he altered the draft and sent it back without initialling it, and expecting to see,

in due course, a fair copy plus the proofs of authenticity. He added somewhat vaguely that the Foreign Office had assumed they were carrying out his wishes and had 'published the whole affair', and he went on to say that the real Red plot was on the part of the *Daily Mail* and the Tories, and that he was determined to get at the truth about their activities in the matter.

The Times very unfairly took this as an attack on the Foreign Office staff, but this was, in any case, only a side issue. The whole Tory machine was off on the 'Red Menace' tack and they very successfully stampeded all the old and the timid. The Labour Party never recovered from their initial uncertainty as to whether the letter was a forgery or not, and they came too late to the very sensible attitude of Philip Snowden who said that the Foreign Office had behaved commendably, that the incident showed that the interests of the country were safe in the hands of the Labour Government, and that once the authenticity of the letter was established we should have seriously to reconsider the question of ratifying the treaty.

The result of the election was a defeat for the Labour Government, but it was disastrous for the Liberals. The Tories gained more than 150 seats, Labour lost 40-odd, while the Liberals lost well over a hundred and were reduced to a mere rump. I doubt if, even without the Red Letter, Mr. Baldwin could have failed to secure a majority, but I suspect it would have been a small one; Labour would not have done materially better; the Liberals would clearly not have lost so heavily. With the letter, all the frightened and moderate ran from the middle of the road to what they considered safety in the bosom of the Conservative Party. Mr. Baldwin accordingly had an embarrassingly large majority of 200 or more over all parties, while the Liberals had been, for all effective purposes, extinguished. Never again have they counted as a political party, though I suspect that liberalism as a political doctrine is as potent as ever, despite all the assaults on it from Left or Right.

The outstanding casualty of the election was Mr. Asquith, who was beaten at Paisley by a Mr. Rosslyn Mitchell, widely known in Scotland as 'the pocket Rosebery'. Three months later the Liberal leader went

to the House of Lords as Earl of Oxford and Asquith. Mr. Tom Johnston was beaten at Stirling, but was elected in a by-election at Dundee almost immediately. One of the new Labour members was Mr. Hugh Dalton, of Eton and King's.

The story of the Zinovieff Letter was not finally concluded until 1928. In its last few days of life, the Labour Government appointed a Cabinet Committee to go into the question of authenticity, but in the short time available, it was unable to reach any positive conclusion on the subject. In the next session, Labour members went through the motions of pressing the new Ministry to have an inquiry, and, in fact, the Tories, too, set up a Cabinet Committee. Unlike its predecessor, this one found no difficulty about reaching a conclusion and it reported that in its view, the genuineness of the letter had been clearly established. A little later the new Foreign Secretary disclosed in the House as much as he could, without giving away Secret Service methods and personalities, of the evidence on which the Tory Committee had reached its verdict. Round about this time I met Snowden in the Lobby and he told me how some members of the Labour Party were determined to get at Gregory for his supposed part in the Zinovieff affair, and that they were already in touch with a lady friend of his. This slight incident did not recur to my mind until I read the Report of the 'Francs' case in February 1928. Towards the end of 1927 a firm of exchange brokers sued a certain Mrs. Dyne for unpaid balances in a long series of foreign currency speculations. In the course of the hearing it was disclosed that Mrs. Dyne had formerly been associated with Gregory and some others in exchange deals, whereupon the Government set up a committee of inquiry under the Permanent Secretary of the Treasury. In accordance with the recommendations of this, Gregory was dismissed from the Foreign Office for conduct unbecoming a public servant, but the only aspect of its report which is relevant for my present purpose is the effect it had in reviving interest in the Zinovieff imbroglio. It appeared that early in 1925 there had come into the hands of Ramsay MacDonald a sworn declaration by an ex-servant of Mrs. Dyne's, implying that Gregory had so managed the business of the letter that the Government was bound to be defeated,

and that advance knowledge of this certainty had enabled him to make a great profit on his exchange transactions. MacDonald and J. H. Thomas had seen Sir Eyre Crowe and later Gregory and had been assured by the latter that there was no truth whatever in the maid's story. There the matter rested till the end of 1927 when MacDonald judged it expedient to give evidence to the Inquiry about what had occurred in 1925 — Crowe being by this time dead. Sir Warren Fisher and his colleagues investigated the accusations contained in the affidavit with great thoroughness and were able to disprove them completely. They disclosed that Gregory had from first to last been opposed to publication of the Zinovieff Letter; that there were no transactions of unusual magnitude during the period that the alleged speculations with inside knowledge had been going on; that in fact a loss had been made in this period; and that it was known to one member of the Inquiry that Crowe had made it clear in 1924 that the decision to publish was entirely his. The member referred to must have been Fisher, and I have a vague recollection that Crowe came to the Treasury to consult him on October 24th, 1924, either before or immediately after he had given the order for publication.

The 'Francs' Report gave no information as to how a copy of the letter had reached the *Daily Mail*. The Labour Opposition could not forbear demanding another debate on the subject. They got nothing out of it except the reading by Mr. Baldwin of a signed statement from the man who had, in fact, handed over the letter to the newspaper. This statement completely disposed of all suggestion of disloyalty on the part of Gregory or of any other public servant or of systematic leakages from the Secret Service, and the great Zinovieff mystery was at last ended.

ANNEXE TO CHAPTER FOUR

THE RUHR OCCUPATION AND THE DAWES PLAN

It will be remembered that the Reparations Conference in Paris at the beginning of 1923 broke down on January 4th. The concluding statements of the French and British Prime Ministers were published on the following day. Poincaré made it clear that he was going off into the Ruhr in search of *gages productifs*. Bonar Law said he could not associate his country with the French action not only because he thought it would not achieve the desired results but because it was likely to have grave and even disastrous economic effects in Europe; at the same time there was not and could not be any question of a quarrel with our French Allies.

Some time previously the Reparations Commission had formally declared that Germany was in wilful default on timber deliveries. They now (on January 9th) did the same on coal by the votes of France, Belgium and Italy – the British delegate, Sir John Bradbury, abstaining. The next day the French and Belgians sent formal notifications to Germany that in view of the coal and timber defaults they had decided to send into the Ruhr a Mission of Control of Mines and Factories (M.I.C.U.M.), composed of engineers endowed with the necessary powers, to supervise the working of the Coal Syndicate, to ensure by orders to the syndicate or to the German transport services the strict application of the programme fixed by the Reparations Commission, and to take all measures necessary for the payment of Reparations. The French Government had no intention of carrying out an operation of a military kind or an occupation of a political character. It was simply sending into the Ruhr a mission of engineers and civilian officials to secure that Germany should respect her obligations under the Treaty of Versailles. It would send only the troops necessary to safeguard the mission and to guarantee the fulfilment of its mandate. No disturbances, no changes would be introduced into

the normal life of the population which would be able to continue working in order and quietness. The German Government had the greatest interest in facilitating the work of the mission and the posting of the troops which were necessary to protect it and the French Government counted on goodwill from the German Government and authorities. If, however, the activities of the mission were to be hindered or compromised, all the coercive measures and sanctions deemed to be necessary would be immediately taken. M.I.C.U.M. would have full power to compel the production of statistical and other information. It would have the right to travel about in occupied territory, to enter offices, mines, stations and so on and to examine books and documents. The German personnel of such undertakings would be compelled, under pain of severe sanctions to place themselves at the disposal of the mission and to obey its orders. The head of the mission would have power to prescribe modifications in the distribution of fuel or changes in the destination of wagons or barges containing fuel. The programme of coal and coke deliveries laid down by the German Coal Syndicate would henceforth be submitted to the mission who could modify it if they wished. For the time being no changes would be made, other than those required to ensure the complete delivery of programmes for Reparations and for the needs of occupied territories.

On January 11th M.I.C.U.M. was escorted into Essen by two French infantry divisions and a cavalry division, accompanied by a Belgian detachment and a few Italian engineers all under the command of General Dégoutte, who immediately proclaimed a state of siege and constituted himself the supreme legal authority in the newly occupied territories. But already the Coal Syndicate had taken itself off to Hamburg. The following day the German Government under Herr Cuno issued a proclamation calling for unity and self-control, ordering the following Sunday to be observed as a day of national mourning and a token General Strike on the Monday. At the same time he gave instructions stopping altogether deliveries of coal to those nations who in the German view had broken the treaty. One day later again he sent a formal protest to France and Belgium against

their action which was averred to be illegal under the treaty, and made it clear that there would be no further deliveries to the powers taking part in the occupation. In theory deliveries in kind to the other powers were to continue.

Thus began a 'non-military' enterprise on the part of the French which was to be met by 'passive' resistance from the Germans. The French occupation took on more and more the form of a military operation and the resistance very soon became as active as it could be without aid from a regular armed force. The Ruhr area occupied was about sixty miles by thirty but it accounted for five-sixths of Germany's coal and four-fifths of her steel production. The Allies were already occupying bridgeheads on the right bank around Cologne, Coblenz and Mainz and these were connected with the Rhineland, which was the continuous area of occupation on the left bank permitted under the treaty. Subsequently the French extended the area of occupation somewhat and in particular joined up the bridgeheads to form a continuous stretch along the right bank of the Rhine.

The use of the communications in the Rhineland were obviously vital for the new Franco-Belgian undertaking and so the regime in the treaty zones was, as far as possible, assimilated to that in the Ruhr. The instrument for this was the Inter-Allied Rhineland High Commission which applied by a series of ordinances – the British delegate abstaining or dissenting in each case – measures correlative to those of General Dégoutte in the Ruhr. These Rhineland measures were in theory applicable to the British zone but they were not put into force there so that this zone was a potential gap in the Franco-Belgian control. However the adverse effects on their plans were circumscribed by a minor adjustment of the boundaries and by the agreement of the Germans, no doubt under British persuasion, to run through it the same number of French military trains per day as had passed before the new Ruhr venture.

The first few days of occupation in Essen passed off quietly enough but the French soon found it necessary to show that the martial law would not be a dead letter. They prohibited the national day of mourning, they forbade price discriminations against French personnel

and they proclaimed that all offences would be tried by military courts. There is no doubt that Poincaré's policy had the overwhelming support of his fellow countrymen. Herr Cuno on his side got a resounding vote of confidence in the Reichstag; nevertheless there was great public dismay in Germany and the mark fell sharply to 67,000. On January 16th the Reparations Commission declared further wilful defaults and ten days afterwards they decreed that Germany was 'in general default'.

It is interesting to quote from an official French source a description of the forms passive resistance took in the early days: It

> consisted, on the one hand, in rejecting collaboration in any shape or form with the French and the Belgians, in refusing all their demands, in not complying with any of their orders, in leaving them to their own resources while, if necessary, yielding them possession of the field at the points where they presented themselves. The mining and metallurgical industrialists refused to appear at the summons of the Commission of Engineers, to answer their questions, to supply them with information, to satisfy their requisitions, and even to open to them the doors of their establishments. The postal, telegraphic and telephonic employees refused to make any communication to the French and Belgians, to transmit their letters, to sell them stamps and so on. The railway refused to run the trains necessary for the troops or to make room in the stations for the occupying authorities. The German officials of all ranks affected to be unaware of the presence of the French and Belgians; they furnished them with no assistance and no explanations; they declined all requisition orders. The newspapers refused to publish any documents – whether notices, *arrêtés*, instructions or ordinances – which emanated from the Allied authorities.

Matters clearly couldn't rest there. The French were bound to try harsher measures to make their will effective and the Germans were certain before long to abandon many of the elements of passivity. Crowds became disorderly and French soldiers opened fire on them;

recalcitrant industrialists were brought before military courts and suddenly became heroes to their workmen; mines and factories were occupied, whereupon the workers struck or else they attended and produced nothing; the singing of patriotic songs was forbidden and German policemen were arrested for not saluting French officers; troops occupied postal and telegraphic offices and branches of the Reichsbank and seized whatever coal they could lay hands on while French and Belgian railwaymen were imported to run the minimum of necessary military trains; the occupying authorities began to expel government officials as well as obstructive railway and postal employees. The Germans for their part tried to get as many locomotives and as much coal as possible away into unoccupied territory; Berlin issued orders that no taxes should be paid which could possibly be diverted to foreign coffers. They made grants to those industrialists who were suffering from the occupation and they undertook to pay allowances to officials and workers who were deprived of their livelihood, especially those who were actually expelled; later on they began to reimburse employers for the allowances they paid to their workmen who were thrown out of employment. All these sums were obtained by means of the printing press and the German finances became more and more disorderly. By the end of January the mark was at 225,000. At this time the workers were pretty solidly behind their employers and the German Government, except for some of the more extreme Communists who were quite willing to help the French to destroy the capitalist industrial system in the Ruhr.

To start with there was a good deal of coal and other traffic into unoccupied Germany. But on February 1st the French closed the frontier which they had established round the Ruhr to all coal trains. This was the first step in a developing process of cutting off the Ruhr and the Rhineland from the rest of Germany. The Germans began to resort to sabotage and other active forms of resistance, the French stiffened their counter-measures and increased the number of expulsions and imprisonments. They also suspended or suppressed newspapers with considerable frequency. German Ministers were prohibited from entering occupied territory and no manufactures could leave it without

getting a licence from, and paying an export tax of 26 per cent to the French. Railway traffic was down to one-twentieth of its normal volume. The one thing over which there seems to have been no trouble at any rate in the early months was food and this the French permitted to come freely into the zone.

There was a good deal of discomfort about all this in the United Kingdom and the matter came up frequently in the House of Commons. Traders were upset at the interference with their activities which the occupation and the double authority inevitably entailed, the Labour Party were disturbed about the harsh treatment of German workmen and practically everybody agreed with the German view that the French and Belgian action was, by reason of its unilateralism, contrary to the Treaty of Versailles. Bonar Law steadfastly refused to intervene until it appeared that there was something to be gained by it. For the time being it was clear that any attempt to do so would be resented by the French.

In March the first signs of a break in the German front appeared when Stresemann's paper came out in favour of an offer being made to France. Moreover the Ruhr workers began to find their employers a little less heroic than at first. Herr Cuno however was defiant. He maintained that Germany was prepared for a long period of passive resistance, and that the French had got virtually no coal so far and this in spite of having sent five divisions into the Ruhr including some black troops. The French then set up a civil *Régie* for all the railways of the occupied Rhineland and took control of those lines on the right bank feeding into the Ruhr. Incidents calling for the intervention of the troops multiplied and the French threatened 'pitiless reprisals' for them. They imposed curfews, and prohibited motor traffic into unoccupied Germany after dark; they refused export licences to those industrialists who had not paid over the coal-tax to them instead of their own Government, they threatened that the next step would be to seize their property, indeed they started confiscating coke ovens.

The first signs of a separatist movement in the Rhineland appeared, and in the Ruhr Communist activity intensified. Towards the former the French authorities preserved a very proper official reticence but

there is little doubt that individuals gave a vast amount of private encouragement.

The German Government ordered the railwaymen not to work for the *Régie*. Train wrecking soon made its appearance. Early in April there was a fracas at Krupps' works which involved the deaths of nine workmen. The men struck in protest at the French firing on their fellows and 70,000 of them attended the funeral of the victims. The directors were arrested on the charge of having instigated the incident. As regards the main purpose of their visitation — the acquisition of coal and coke — having now by their customs cordon and the seizure of the railways, sufficiently cut off occupied Germany from the rest of the Fatherland, the occupying power was ready to begin a vigorous policy of taking over pitheads and seizing the coal and coke accumulated at them. The industrialists countered by reducing the hours of their workmen so that less and less coal came to the surface. Nevertheless the French began to get something for their pains though no more than a fraction of what they were getting before there were any *gages productifs*. Evictions increased, heavy fines on individuals and towns were imposed, motor traffic was controlled and the sentences of the military courts became more severe. Incidentally the Government of the Reich was in trouble elsewhere than in the Ruhr and Rhineland—with Hitler in Bavaria and with the Socialist-Communist Government in Saxony.

In the latter half of April the British Labour Party issued the report of a delegation they had sent to the Ruhr. The German workers were reasonable and moderate but nevertheless formed a powerful element of resistance to the French usurpation. The employers were more bitter than the workmen. A spanner had been thrown into a most complicated railway system and business was at a standstill. The French troops had been distributed with great skill but nevertheless the strain on them was even greater than that on the German population, who showed no sign of giving in. The French civilians and soldiers were working in separate grooves and the whole occupation was an appalling waste of money and effort. Twelve to fifteen thousand workers had been imported. The Reich Government was paying from one- to two-thirds of their ordinary wages in marks to the unemployed but entirely by

means of the printing press. British prestige was still high with Germans, but the impression that we were a negligible factor was gaining ground. In short, it amounted to a state of war, and war in which the French were bound to become more active and the final result would be famine and widespread disorder. It was high time for a statement of British policy. An appeal should be made to both sides.

The response to this was given by Curzon in the House of Lords. The British attitude was one of positive neutrality. Germany's capacity ought to be determined by an international commission. 'I cannot help thinking that if Germany made a fresh offer (accompanied by guarantees) an advance might be made. It is to the general interest that an offer should be made.' The French received this sage pronouncement coldly. Stresemann thought it could not be passed over, and the German Socialists also pressed for an offer being made with a view to the removal of the burden of occupation from the shoulders of the workmen. There was a good deal of sense in this, for the Communists were having no small success in stoking up demonstrations and riots among the unemployed on the ground that only Government servants were getting adequate unemployment allowances.

Meanwhile the mark was in trouble again. For nearly three months the Reichsbank had kept it around 100,000 to the pound sterling but the moment they withheld support the exchange sagged. They were forced to resume official purchases accordingly and they adopted some other protective measures, but from the middle of May onwards nothing could arrest the decline or indeed prevent a frightening acceleration.

At the beginning of May the Cuno Government put forward formally an offer to accept a liability of 30 milliards of gold marks, to be raised by loans on the international money markets and subject to a good deal of delay action and of funding of interest. If this wasn't acceptable let the whole problem go to an international commission. In any case the offer depended on the stabilization of the mark and this could only be undertaken if there were an early evacuation of the Ruhr. The French and Belgians immediately rejected these proposals with contumely. The British regretted such precipitate action and announced that they and the Italians would nevertheless make their

own reply to the German offer in due course, which they did in the general sense: 'This isn't good enough. Try and do a bit better.' The next month was marked by more serious disorder and growing harshness in meeting it by the French. Wages strikes began and these were fomented by Communists who actually got control of Gelsenkirchen for a considerable time. The Communists were helped by the fact that food supplies were getting short, an inevitable result of the currency chaos. The proceeds of all the coercion in the shape of Reparations were given on May 21st in the French Chamber – a profit after deducting the costs of occupation of £128,000 in four months as compared with the £10½ millions obtained in the corresponding period of 1922!

At about this time Mr. Baldwin became Prime Minister and gradually the non-interventionist attitude of H.M.G. changed, not very surprisingly seeing that prices in Germany as a whole were rising at the rate of nearly 100 per cent a month and that the consequent distress was producing disaster and riots in the rest of the Reich as well as in the Ruhr and Rhineland. Naturally the workers began to demand wage increases, and, to the extent that they were granted, the already galloping inflation was accelerated. Berlin was displaying all the symptoms of the false and hectic prosperity which inflation brings, in conjunction with much real though not entirely obvious distress. But though the workmen were discontented with their own lot, offended at the vulgar dissipation of some of their reputed betters, and angry at the industrialists for sending their balances abroad, they saw through what they thought was the design of the French to internationalize the Ruhr and would have none of it. Early in June Cuno made a new offer. In brief it was to the effect that Germany's capacity to pay Reparations should be determined by an impartial tribunal. If that were accepted by the Allies, Germany would be prepared by way of guarantees for the payment of the sums so fixed (*a*) to form the German railway system into a separate concern under private management and to issue on the security of it bonds to the nominal value of ten milliards of gold marks bearing interest at 5 per cent as from July 1st, 1927, (*b*) to pay half a milliard a year guaranteed

by a first mortgage on the entire German industry, and (*c*) to assign certain specific customs revenues. The offer ended with a plea for a conference of all the interested powers.

On receipt of the German note the French and Belgians suggested to the British Foreign Office that it should be answered simply by a collective demand that passive resistance should cease, though they did put forward some ideas for consideration at the conference they were willing to have once this had happened. Then ensued more than a month of not very diplomatic exchanges at the end of which Lord Curzon circulated to all the Allies a draft of a joint reply to Germany. Its six main suggestions were:

(i) that Germany would undertake to abandon passive resistance;
(ii) that thereupon steps should be taken for the resumption of civil administration in the Ruhr and to provide for progressive evacuation;
(iii) that an impartial committee of experts should be set up to advise the Allied Governments and the Reparations Commission as to Germany's capacity to pay Reparations and as to the most suitable methods of doing it. The committee should contain an American and the Germans should have full access to it;
(iv) that the same committee should advise on the economic guarantees to be taken from Germany;
(v) that inter-Allied discussions should be opened as soon as possible for a general financial settlement, including of course the regulation of inter-Allied debts;
(vi) that the Ruhr should be evacuated as soon as the plan produced by the experts was in operation.

The mark was by now at 1,500,000 and, on top of all the dislocation caused by the French and Belgian measures to obtain Reparations forcibly, there were the disastrous results of the most violent inflation the world had ever known. These were felt mainly by the retailer and the worker. Wholesale importers and producers did business in gold marks, and paid taxes and wages in paper. Retailers and workers were paid in paper and however quickly retail prices and wages

were raised they could not keep pace with the fall in the mark. The debentures and mortgages on the vast extensions which the industrialists had undertaken earlier had been inflated away, but the inevitable shortage of raw materials and the very violence of the inflation had destroyed the short-term stimulus provided by the earlier and milder process. Moreover the workmen spent a large part of their time in expeditions into the country to find food. But despite the current misfortunes there was no denying that, if and when things were put straight again, the industrialists would have magnificent undertakings free from prior charges and would be able to get labour at very low prices. The French did not fail to point this out.

The efforts of the occupying powers to obtain Reparations and to overcome resistance were meanwhile being once more intensified. Import duties were imposed on goods from unoccupied Germany, visits of officials from outside were prohibited, expulsions became more numerous – they were already 80,000 at the beginning of July – and they were executed more harshly; the *Régie* extended its control over railways, forbade the use of alternative means of transport, and so cut off raw materials from the factories and interfered with the distribution of such food as there was. From time to time the frontier between the two Germanies was completely closed. The French and Belgians had by now seized all the stocks of coal and other readily usable commodities and, as the workers were not producing any more, they sought to operate some of the factories and mines themselves. The Cuno Government was vainly trying to cope with the flood of wages demands, and with the food riots, and the exchange crisis which caused them. The Socialists continually attacked them as the tools of the industrialists; the Communists alone flourished and perhaps the Rhineland separatists.

The parties of the Left in France and Belgium were getting alarmed especially as in the former the franc was falling quite sharply, but Poincaré continued to make speeches on the theme 'we stay till the Germans pay' and he was quite obviously hoping for, and indeed counting on, an early capitulation.

When the French and Belgians replied to Lord Curzon at the end of

July the mark was at five millions to the pound. The answers were to all intents and purposes identical, an attack on passive resistance and British encouragement of it, a refusal to change the policy, the object of which was now defined as not necessarily to obtain current payments but to create in Germany the will to pay. These replies produced debates in both Houses of Parliament which were critical of the Government who had nothing effective to propose, though it confessed that the situation of Europe was likely to sink into irretrievable ruin. Then followed further and longer notes – a brilliant if acid exposition of the British view by Curzon, an equally brilliant and even more acid retort by Poincaré, which together left matters in worse case if possible than before. When this exchange of compliments was over the mark was at thirty millions!

In the Ruhr both workers and industrialists were heartily sick of resistance and the former were bitter against both their employers and the Berlin Government. In the rest of Germany there was great labour unrest, widespread Communist-instigated riots, and signs that the leftist parties wanted to call off the fight against France. But Cuno's note was still one of defiance even though it was a hopeless defiance. But in the middle of August his Government at last fell, and was replaced by one under Stresemann whose first declaration was that Germany 'would abandon passive resistance when the conditions of the treaty had been restored'. He renewed the offers of May and June but was not ready to sacrifice the freedom of German soil. Other passages were interpreted as a declaration of war on Hitler in Bavaria and the Communists in Saxony.

The Stresemann Government sought to cope with the financial crisis by putting Bank Rate up to 90 per cent, by reducing the Ruhr subventions and by tightening up the conditions of unemployment pay. As the Finance Minister, Hilferding, said: 'A great part of the population of the Ruhr is living on the funds of the Reich.' But the withdrawal of some of these aids led, as it was bound to do, to demonstrations, disturbances and street fighting. Stresemann was in trouble both with the workers and with the extreme nationalists who were behind Hitler.

On September 19th Mr. Baldwin stopped in Paris on his way home from Aix and saw Poincaré. The official *communiqué* said:

> A meeting of the Prime Ministers of France and Great Britain took place this afternoon of which they took advantage to proceed to an exchange of views on the general political situation. It is not to be expected that in the course of one meeting M. Poincaré and Mr. Baldwin would be able to settle on any definite solution, but they were happy to establish a common agreement of views, and to discover that on no question is there any difference of purpose or divergence of principle which could impair the co-operation of the two countries, upon which so much depend the settlement and the peace of the world.'

This must be Lord Tyrrell's 'best ever'! It created great optimism in France and Britain and was followed a week later by a German 'surrender'. The proclamation announcing this referred to the 180,000 Germans who had been driven from their homes and to the millions for whom the idea of liberty had ceased to exist. The thanks of the whole nation were due to the population of the Ruhr for refusing to work under foreign bayonets. The Government had met the responsibility as best it could but it could not go on. It had in the last week spent 3500 billions of marks on supporting the Ruhr population and it would have to find double that figure in the current week. Against all this there was nothing but loss to be set. Production in the Ruhr had ceased; the whole economic structure of both occupied and unoccupied Germany was in ruins; the Government was compelled to recognize the danger that the continuance of passive resistance would make impossible the creation of a stable currency, the reconstitution of commerce and industry and even the securing of a bare existence for the German people. Germany must face therefore the bitter necessity of bringing the struggle to a conclusion. The Government declared that the highest of its tasks was to secure the release and repatriation of the victims and solemnly proclaimed that it would accept no arrangement which separated the smallest piece of German soil. It was now up to the Allies to restore peace to Germany.

Two days later 'dictators' were appointed – one for Bavaria and one for the rest of the free Reich, and a regime very like that of the Cromwellian Major-Generals was set up. The Socialists withdrew from the Government and Stresemann resigned. He came back a week later with a Government which leaned more on the big industrialists. The mark was now at two thousand millions. The first action of the new Government was to ask France and Belgium officially whether they were prepared to enter into negotiations with the German Government for a resumption of work in the Ruhr. The reply was an insistence that negotiations should take place on the spot between the industrialists and M.I.C.U.M. Stresemann thereupon authorized direct negotiations and ordered those railwaymen who had not been deported to go back and work under the *Régie*. In the meantime the industrialists had shut down their concerns and the whole Ruhr population was unemployed.

A ray of light appeared on October 12th when President Coolidge told the Press in Washington that the United States position was still as set out in Secretary Hughes's New Haven speech of December 29th, 1922, which had advocated the Governments concerned inviting men of the highest eminence in finance to draw up for their consideration a plan prescribing the amount of Germany's obligation and the methods of its payment; Mr. Hughes had no doubt that distinguished Americans would be willing to serve in such a commission. The Coolidge reiteration of this was immediately taken up by Curzon in the name of the whole British Commonwealth, then assembled in London for the Imperial Conference. He declared his intention of seeking the immediate concurrence of the European Allies in the dispatch of an invitation to the United States *Government* to assist in an inquiry such as Mr. Hughes had suggested by officially deputing a delegate to take part in it. But, foreseeing a certain amount of trouble from the French, Curzon asked the United States in advance whether they would still participate if the inquiry were entrusted to the Reparations Commission or to a body appointed by it. Mr. Hughes replied that the United States would officially take part in a conference if it consisted of all the European Allies chiefly interested in Reparations, subject to inter-Allied debts being kept out of it. They could not as a Government

appoint a delegate to the Reparations Commission without specific Congressional authority, which he was clearly unwilling to seek, but he was confident that competent American citizens would be ready to participate in an economic inquiry by means of an advisory body set up by the Commission.

The French and other Allies were accordingly approached but, as anticipated, they showed the greatest hostility to a Governmental conference or to any body which could be regarded as infringing the authority of the Reparations commission. The replies did, however, provide a loophole in that they indicated that an expert inquiry under the aegis of the commission was a different matter, and so Curzon fell back on this. After further arguments and vicissitudes and a spate of Sunday speeches from M. Poincaré, two expert inquiries were finally set up by the Reparations Commission on December 21st. In form their task was (*a*) to consider the means of balancing the German Budget and stabilizing the currency and (*b*) to estimate the amount of exported capital and the chances of bringing it back. The first committee, of which the American General Dawes was selected as chairman, was the effective body, for it was intended to produce a solution of the whole problem and a solution which should at once be workable and save everybody's face. The second under Mr. McKenna was 'eye-wash', a concession to the French conviction of Germany's bad faith, which was not intended to have any practical result.

While all these portentous manœuvres were going on very unpleasant things were happening in Germany. The separatists in the Rhineland proclaimed a Republic and got every sort of unofficial support from the French and so were enabled to carry on something like a Reign of Terror. The Government of Saxony was suppressed and a dictator appointed there also. There were riots in Berlin, and in the Ruhr, according to *The Times*, the tide of unemployment, unrest and starvation was rising rapidly. The direct agreements between M.I.C.U.M. and the industrialists took a long time to conclude, mainly because of the doubt as to whether the Reich would reimburse the latter for any deliveries they made to the French. In the interim practically nobody was at work. The exchange had got to about 20

billions to the pound and railway receipts covered less than 1 per cent of the expenses. Wages varied in accordance with the official rate of exchange but this was only about one-third of the New York quotation and so the workmen even when at work were far worse off than before the war. However, plans were in hand for producing a rentenmark which was to be initially worth one billion marks and which it was hoped to keep stable by strictly limiting its issue. Then came the Ludendorff-Hitler Munich coup and to make things even more complicated the ex-Crown Prince chose this explosive time to make his return to Germany. Between them these two events led to the defeat of the Stresemann Government in the Reichstag – the Nationalists, Socialists and Communists all attacking it. A new Government was formed under Herr Marx, with Stresemann as Foreign Minister and Dr. Luther as Finance Minister. This seems to have found itself stable enough to embark on a course of Draconian financial reforms and in furtherance of this policy the ineffective Herr Havenstein was replaced at the Reichsbank by Dr. Schacht.

Now at last the French began to be a little more accommodating, largely no doubt because they were beginning to be frightened of the possibility of complete chaos and civil war in Germany, but partly also because the left parties at the British elections had secured a majority over the Conservatives and partly again because their own Left were preparing to fight the French elections on the platform of pinning the responsibility for a serious fall in the franc and a rise in the cost of living on to Poincaré's Ruhr policy. The German industrialists made their agreements with M.I.C.U.M., there was a fairly reasonable arrangement between the *Régie* and the German railway administration, and direct contacts between the French and German Governments were resumed. The German financial difficulties were still acute but this time because of something in the nature of deflation resulting from the stoppage of the printing press; all the same the mark was, through the rentenmark device, kept fairly stable at 19 billions. The occupying forces were being slowly reduced, deportees began to return and the restrictions on travel were lightened. And finally the French decided to leave the German separatists to their fate and as a result they were

easily suppressed. Nevertheless Poincaré continued to insist that they wouldn't evacuate the Ruhr until they had been paid, though when, after a minor defeat in the Chamber, he formed a new Government somewhat less to the Right than the old one, the formula became hope in the labours of the Dawes Committee, a desire for solidarity with the Allies and a gradual withdrawal from the Ruhr in proportion as the Germans paid. As a reward for this moderation the new French Government got British and American credits and was able to stage a handsome recovery in the franc.

The Dawes Committee pressed on with its inquiries and in the process was consulting freely with the Germans. In the meantime the hand-to-mouth agreements between M.I.C.U.M. and the Ruhr industrialists were being periodically extended and the occupation regime was being still further alleviated. The report was published on April 10th, 1924. It was an amazingly agile document and it succeeded in placating everybody's susceptibilities. Both in form and in substance it owed much to Sir Josiah (afterwards Lord) Stamp, who was one of the British members of the committee, and Bradbury, who was indefatigable behind the scenes with ideas and formulae.

The first thing made clear was that the report proceeded on the hypotheses that the fiscal and economic unity of the Reich would be restored, that there would be no controls beyond those specifically prescribed, and that the existing sanctions would be withdrawn, not to be reimposed except in the event of flagrant default. Secondly there was to be either a new or a reorganized Reichsbank with the sole right of currency note issue; the present paper money was to be withdrawn and replaced by the notes of the reconstituted Reichsbank. The reserve law of the Bank was laid down in detail and it was only allowed to lend on short term to the Government under strict legal limitations. The management was to be wholly German but there was to be a General Board – half Germans and half foreigners, one of the latter being the Commissioner charged with seeing that the reserve and issue law was faithfully complied with. Thirdly there should be a standard payment of 2½ milliards (£125 millions) a year to cover all charges due under the treaty, subject to a possible addition based on

an index of prosperity after five years. The standard annuity was made up of a tax on railway receipts, the proceeds of certain other indirect taxes which were to be paid into special accounts, interest and sinking fund on an issue of industrial debentures and on the debentures of a private company formed to take over the railways from the State. The new railway company should also issue preference capital the proceeds of which would be assigned as Reparations. The full figure of 2½ milliards was only to be reached in 1929-30 and in the first two years most of even the reduced payments would come from the sale of railway preference shares and the proceeds of an international loan. Currency was thus given ample time to get straight. Apart from the partial moratorium Germany was to be protected by a further arrangement limiting transfers in case of need. Under this there was to be set up a Transfer Committee consisting of the Agent-General for Reparations Payments (the representative of the Reparations Commission in Germany) and five foreign exchange experts; the duty of the committee was to apply the mark proceeds of the various hypothecated revenues and receipts to paying German suppliers for any deliveries in kind they made, and to the purchase of foreign currencies to the extent that this could be done without damage to the exchange; if conditions were unfavourable for transfer, marks would accumulate in the account of the Agent-General, but when the balance reached 5 milliards the annual payment in marks was to be reduced to what could be safely transformed into foreign exchange.

The United Kingdom announced on the very day of publication their unconditional acceptance of the report, on the understanding naturally that everybody else did the same. Germany accepted it a week later, whereupon the Reparations Commission recommended it to the Allies for approval. Poincaré was glad to see that the experts had operated within the limits laid down by him but he stalled on formal adherence – no doubt because the French General Election was less than a month away. The United States was in cordial support and hoped that American capital would participate in the international loan. The Belgian Prime Minister resumed his traditional role of honest broker in a rapid round of the Allied capitals.

Meanwhile in the Ruhr the industrialists had insisted on longer hours of work and were jibbing at wage increases – ostensibly because of all the amounts they had to pay to M.I.C.U.M. The men wanted the old hours and of course bigger nominal wages. There appeared in *The Times* an interesting account of the conditions in the Ruhr at this period. The barbed-wire entanglements and machine-gun posts had gone; the *Régie* trains were running to time, German railwaymen had replaced the French importees and there were long trains of coal and coke ready to leave for France; motor vehicles were back on the streets; shop windows had been repaired and there were abundant displays of food; factory chimneys were smoking again. But the workers were in a dangerous state of disillusionment; real wages were lower than in 1913, hours were longer and there were more unemployed; Krupps had discharged one-quarter of their men, and the dole allotted to those displaced was no more than 5 shillings a week; there was likely to be a chronic surplus of working-class population. The inhabitants were weakly, the children shabby and under-nourished. The men believed that at the end of passive resistance their employers rushed to do a deal with the French while at the same time coming down on their workers with an iron hand. No wonder that Communist propaganda was making rapid strides. All the same the employers were not making big profits as they had done in the preoccupation inflationary period.

A Labour Government was in office in England and after the French elections there was a leftist majority in France and in due course a Radical Government under M. Herriot was installed, relying on general Socialist support. Herriot came to London almost immediately and after some rather stupid alarms and excursions about the nature of sanctions under the new regime, it was arranged that an inter-Allied conference, with Americans as observers, should meet in London on July 16th. After a good many arguments mostly concerned with the date for the evacuation of the Ruhr and the procedure for determining defaults in future, the Allies reached agreement among themselves and invited the Germans to join the conference. On August 16th an all-round agreement was initialled and the formal instruments were signed a fortnight later. They contained complicated provisions for

assuring the subscribers to the international loan that France could not again take unilateral action, while at the same time all rights under the treaty were reserved. In fact the occupation was not declared to be either legal or illegal but there was a promise that it wouldn't happen again. Military evacuation of the Ruhr was to start at once and to be completed in one year. There was a detailed time-table for the rapid restoration of full economic and fiscal unity and the plan was to be deemed in force as from October 5th, 1924. Before the end of this month of October separate *tranches* of the international loan were issued in the various financial centres of the world, including New York, and everywhere they were heavily stagged. Optimism reigned and there began an all-round improvement in the German economic situation. Thereafter came the short period of four or five years of comparative prosperity and tranquillity which is all that Europe enjoyed between the wars. It was assisted materially by the willingness of United States and British lenders to put money into Germany, but when the American speculative boom got under way in 1928 most of this money began to be drawn back into the New York stock market. Ultimately there came the troubles of 1930 and 1931 which were dealt with very unimaginatively in the United States. With the departure of American money Germany was left, as she was bound to be after the inflation of 1923, with a great dearth of working capital, and the workers were once more subjected to grievous unemployment. The inflation had also, to all intents and purposes, destroyed the middle classes, leaving only the industrialists, the officers corps, the *déracinés* and the *kleinburgertum*, most if not all of whom were either easy dupes or willing allies of Hitler. This second economic crisis within a few years brought back the memories of the harshness and indignity of the Ruhr regime and it gave added strength to the by now firmly established legend of the Carthaginian Peace. Is there not then a considerable justification for the view which, as I said in Chapter Three, I still on balance hold, that the most effective and direct cause of Hitler was the Ruhr occupation and that, but for this, there might have been no second World War?

CHAPTER FIVE

PRIVATE SECRETARY – CHURCHILL

HERE, then, was Mr. Baldwin with a majority of 200, and charged with the mission of forming his second purely Conservative Administration. It was obvious that his first duty would be to cement the reconciliation which the election had produced between the two sections of the Conservative Party who had been sundered by the Carlton Club meeting of October 1922. There was also the problem of Mr. Churchill and his Constitutionalist followers. It was known that Austen Chamberlain wanted to be Foreign Secretary, and his desire was met to the accompaniment of the relegation of Lord Curzon to one of the honorific Cabinet posts without portfolio. It was believed that Mr. Baldwin would not fail to allot the Exchequer to Neville Chamberlain, but Austen thought that the absorption of the ex-Coalition elements would be much more complete if Sir Robert Horne were given that office. However, the Prime Minister never showed the slightest intention of discussing any appointments other than the Foreign Office with his new Foreign Secretary, who, if my recollection is correct, took the step of persuading his brother, in the event of his being invited to go back to the Treasury, to stand down in favour of Horne. What is certain is that Neville Chamberlain was asked to go to the Treasury and did ask to be excused. But it was not Horne who then got the offer. For him there was suggested nothing more than the Ministry of Labour which was in those days definitely regarded as one of the second-grade Cabinet posts. Mr. Churchill was appointed to the Treasury and the final step of his restoration to the Tory Party was taken. I do not believe the contemporary story of Winston's thinking he was being invited to take the Duchy of Lancaster and accepting it with alacrity. I do, however, remember that a few weeks after his arrival at the Treasury, he stopped in the midst of a somewhat candid commentary to me on various Cabinet colleagues

and said with a grin: 'But who am I to criticize the selective capacity of the Prime Minister?'

Looking back over a period which is already more than twenty years old, I notice that, with Winston's advent, the character of my recollections changes. Instead of being centred mainly on events and only secondarily on persons, I find them clustered round a single dominating personality. Perhaps this isn't very surprising. There is no doubt that it was Mr. Baldwin's policy over the years 1924 to 1929 to take all the heat and a great deal of the light out of affairs. He definitely believed that happiness for a country consisted in having no history and he did his best to ensure that we had as little as possible. And on the whole he succeeded in spite of the General Strike of 1926. But during these years my life was spent in the almost daily company of the most brilliant and versatile individual who has lived in our age. Nobody in our time has been so Protean, so much of a Michelangelo or a Leonardo, and it would be surprising indeed if my memory of these years did not consist mainly of a series of impressions and sketches of this one man.

Winston walked into the Treasury in November 1924 carrying the seals of office which he had just received, and which he showed the greatest reluctance to entrust to anyone less than the Permanent Secretary. It was not at all certain that he would wish to continue me as his Principal Private Secretary, for it could be taken for granted that he would resume the partnership which had started in 1906 with Eddie (now Sir Edward) Marsh. However, he made us joint holders of the office, and I looked after the more mundane problems of finance and administration, while Eddie was his confidant in all the humaner matters. The other members of the private office were Donald Fergusson and Lord Wodehouse (afterwards the Earl of Kimberley). The new Chancellor brought with him to his room at the Treasury the one-sheet summary in his father's writing of the Budget which Lord Randolph never introduced, and there is, to my mind, no doubt that he inherited the intention of making of the Treasury an active instrument of Government social policy instead of a passive concomitant or even, as it sometimes was, an active opponent. This *motif*

can easily be seen by those who study his five Budgets as a whole, as I shall attempt to do later in this chapter.

It would perhaps be fitting here to describe Winston's normal methods of work. He disliked giving snap decisions on cases stated orally. Nevertheless, he did indulge in a great deal of personal discussion during which he could talk himself into a knowledge and understanding of any topic or problem which came before him. The last duty of his private office at night was to fill a box with the papers and correspondence which required his direction, so that it could be put at his bedside with his breakfast when he woke in the morning. In this he would browse for, say, an hour until a shorthand writer came to get the results of his ruminations. He would then dictate minutes on the papers in the box or on anything else which occurred to him — large or small, grave or gay. The range of his official interests alone was extraordinary, and it might easily happen that the minutes of a single morning covered the whole region between the draft of an important State paper or ideas for the next Budget and some desired improvement in the make-up of files or the impropriety of the Office of Works supplying Czechoslovakian matches in a British Government establishment. After he had dictated all he wanted, or if important appointments cut short the flow of minutes, he dressed and came through to the office from No. 11, more often than not looking in for a few words with the Prime Minister at No. 10 on the way. For the rest of the day he either held meetings with his Civil Servants — singly or in conference — or kept appointments or attended the House. The Chancellor of the Exchequer had a lot of Parliamentary questions and, apart from these, Mr. Churchill always kept a close watch on Parliamentary currents, either in the Chamber or in the Smoking Room, or through the Lobby correspondents. Incidentally, he assiduously read all the newspapers. The morning minutes were, of course, the primary agency for airing the ideas, many of them original, some of them startlingly original, which sprang up in that teeming brain. They were intended to go to the appropriate branch or department for examination and report. One of the jobs of the more specifically Treasury private secretary was to suggest to his master that

not all of these were worthy of serious examination or that to investigate so many at the same time would place an impossible burden on the officials concerned. Occasionally I was allowed, after argument, to suppress his minutes, but more often than not, Winston refused to abandon a project until the departmental experts had convinced him that it was worthless or inexpedient. And quite a number of them were never abandoned but survived, though perhaps modified considerably, to become part of his adopted policy. I have sometimes thought that his critical faculty stopped short at his own children, and that the best service those who worked for him could provide was to ensure that he was given time to discover for himself which were the weaklings among the offspring of his own brain. This process of Spartan exposure was sometimes a rough one for what he called the alguazils as well as for the ideas, and many of my recollections are of heated and even violent arguments with Winston. On his side, the heat nearly always disappeared the moment the argument was suspended, and sometimes he showed an unexpected measure of patience and placidity with his too persistent servants. On one occasion I recall having been provoked into retorts which went far beyond the latitude allowed to equals let alone subordinates, but instead of my getting the sack, as I deserved, all that happened was a somewhat pained look over the top of his spectacles and the mildest of exhortations: 'Don't be so controversial.' It was an extremely effective retort, for the unexpectedness of it immediately deflated both my anger and the injudiciously truculent expression of it.

This habit of 'all in' argument between the Chancellor of the Exchequer and his private secretary must have continued throughout his term of office for I discover, among the few of my papers which have survived, the following letter under the date March 6th, 1928:

P. J.: Always be assured that our friendship is proof against all minor tiffs. But make allowances for the effect of suddenly pulling me up with a round turn, and forcing me to some measure of self-defence – however mild. 'Cet animal . . . etc.' Yours ever. W.

Here again, as far as I can remember, the treatment was successful.

Altogether, nothing can take away from the gratitude for the frank and equal intimacy which Winston allowed me. When I say equal, I mean only that the master did not attempt to take advantage of his position of authority and that he conceded the utmost freedom of speech. On the other hand he also exercised the utmost freedom of speech and as he was a magnificent rhetorician, the servant was very often worsted – sometimes even when he was right. Hence, no doubt, the attacks of rage or sullenness which led to 'minor tiffs'.

As a matter of fact, in those days, Winston, spirited and lively tempered controversialist as he was, in the wider public sphere was absolutely free from resentment or rancour. He did, on occasion, nourish a feeling that his opponents had treated him unfairly or ungenerously, but even then he was always on the look out for an early opportunity of reconciliation. I am not sure that his great-heartedness entirely survived his years in the wilderness from 1929 to 1939, and the venom with which he was pursued for most of those years by Tories and Labour alike, but certainly when he was at the Treasury he was the most generous and the least vindictive of men.

I well remember one example of Winston's natural kindliness. Shortly after he took over the Exchequer from Philip Snowden, he thought that it would be a good thing to pay his predecessor some little tribute of civility, and he hit on the idea of inviting him to dinner at No. 11 together with one who had been private secretary to both of them and with Lord Haldane who had been a Cabinet colleague of both. I am afraid that like Boswell 'of what passed I have no clear recollection' but I know that it was a fascinating evening. Winston and Haldane combined high thinking with high living. Snowden was, of course, an abstainer. It was most interesting to see the old Puritan thawing into geniality under the influence of the brilliant table talk and inherent friendliness of the other two. And I certainly noticed that Snowden's views were, if anything, less socialistic than those of either of the others. I have no doubt that he was appreciative of Winston's happy thought for, although later on they took to beating each other up with all the appearance of ferocity in the House of

Commons, their battles never seemed to me to be real, and their blows left no discernible wounds. This is indeed confirmed by some remarks which Snowden made about Winston in the debates on the pre-election Budget of 1929: 'He is never very severe on me. I never have any reason to complain of the Right Honourable Gentleman's treatment of myself. He is really a good sportsman. He does not mind being hit hard and he hits back, but I think he always hits above the belt.'

One of the things which used to interest me greatly was Winston's method of composing his speeches. He would never accept from officials the draft of any pronouncement or important letter or Cabinet paper without distilling it entirely through the alembic of his own literary genius. Most often he actually produced the original drafts for himself either as a complete work, or as separate fragments, which were afterwards assembled in the order which best suited his ideas of structure. Whenever the inspiration came, a shorthand writer would be sent for and the work of art or a particular chapter of it would be dictated without any close attention to detail and with more regard to the desired general thesis than to particular facts. Then the draft would be sent to the private office for checking. Sometimes we found that hard reality would not quite fit the argument and it became a matter of no little ingenuity to correct the draft without destroying the theme and without affecting the form and style. I was once given a speech to check which contained a very fine metaphor based on what happened to a small craft ploughing in the wake of a mighty liner in the few minutes after the painter had been cut. After three days I brought the speech back and reported that there was one page to which no known set of facts would conform and that there was nothing for it but to leave it out. 'Not that bit about the little boat,' immediately said Winston. Luckily it wasn't! And on another occasion when a certain official dared to rewrite the whole of the exordium of a very considerable speech, I took the revised version to the Chancellor, feeling quite sure that some sort of explosion would follow. Winston was obviously nettled at the idea of anybody rewriting a whole passage of his carefully weighed argument, but he began reading quietly enough. After

seven or eight minutes, however, he could stand it no longer, dashed the manuscript on the ground and roared, 'Good God! does the man think I'm the *Daily Telegraph*?'

The relation of Winston the artist to Winston the politician or statesman is an interesting one on which to speculate. I am not sure that there wasn't an unresolved conflict between the two which has an important bearing on the assessment of his true place in history. Whether this is so or not, I would say that when I first knew him and, I think, for long afterwards, Winston was too prone to imagine that he had finally settled some difficult problem by making an effective Parliamentary oration about it. Contrariwise, I have often wondered if his rank as a writer of undoubted genius did not suffer some diminution from the fact that there was a large element of rhetoric in his writing, or to put the same thing in another way, that politics and not literature had the first place in his mind and heart. I saw a good deal of his methods of literary composition when, in the prolonged doldrums of the coal stoppage, he turned to complete another volume of *The World Crisis*, the material for which he had gathered in his earlier wilderness days of 1922 to 1924. He dictated his books as well as his speeches, and, although the former were cut and polished even more thoroughly than the latter, he never eliminated altogether the traces of their oratorical origin. He felt this himself, for he said to me one day when he was correcting the page proofs of this particular volume and finding that he still wanted to make numerous alterations: 'Of course what I ought to do now is to start all over again and write the book in my own hand.' Sometimes I imagined I saw the artist at work in the sphere of action – starting with the outpouring of ideas, proceeding through the stages of examination and discussion and trying them on innumerable dogs, down to the moment of promulgation. But promulgation wasn't necessarily the end. The effort to better often went on after the project was publicly launched, and one could see in this the restless creative mind continually seeking to get nearer and nearer to perfection.

His public speeches were always very carefully worked over, even after they had been composed and checked, and I know of no impor-

tant occasion on which he had not in front of him when speaking, not, indeed, the complete text, but notes which differed from the complete text only in the use of his own conventional system of abbreviation. This care to have by him, to use freely what were in effect the *ipsissima verba* of his speeches, and his unwillingness to speak impromptu before a large audience, I could never wholly reconcile with his extraordinary fluency of composition in conference, at the dinner table or in private conversation. Many must have had the experience, which I frequently had, of dining alone with him and listening for hours to him talking in magnificent English without ever faltering or even hesitating. On one notable evening, having asked him about his escape from Pretoria, I had a dramatic description of that, and immediately afterwards of the charge of the 21st Lancers at Omdurman and of his own sensations while taking part in it. It was quite unforgettable, and I am glad to think that I can always recapture some of the magic of that evening by reading – as I do over and over again – the chapters on these subjects which appeared in *My Early Life* a few years afterwards.

II

Perhaps the most important problem which faced Winston in the first year of his Chancellorship was whether or not this country should return to the Gold Standard. The legend has grown up and has obtained such currency that Winston himself has almost come to believe it, that the decision to go back to gold was the greatest mistake of his life, and that he was bounced into it in his green and early days by an unholy conspiracy between the officials of the Treasury and the Bank of England. Nothing could be further from the truth. He was certainly told soon after his arrival that the Act under which gold payments were suspended would expire with the year 1925, and that he would, therefore, have to face before very long the choice between going back to gold or legislating to stay off it for another period of years. It is also the case that the Treasury and the Bank were definitely

in favour of taking the final step in the continuous process of restoring the pound to parity, which had been going on ever since the first World War ended. Here it may be as well to observe that, between the report of the Cunliffe Committee in 1918, recommending an ultimate return to gold at the old figure, and lateish in 1923 when Keynes first began to cast faint doubts on this policy, not a dissenting voice was heard. During the immediate post-war inflation, the pound had fallen to $3.20. In 1920, Austen Chamberlain had taken drastic steps to balance the Budget and arrest the inflation. The countermeasures naturally involved adjustments of wages and a considerable amount of unemployment. The unemployment was intensified by the coal strike of 1921, and at its highest point it reached a figure of about two millions. By April 1921 the era of rapid reductions in Bank Rate had begun, and by July 1922 it was down to 3 per cent, in those days regarded as a very low figure. Sterling on New York had recovered to $4.20 by January 1st, 1922, and for the whole of that year, English prices were practically stable. The exchange at the beginning of 1923 was $4.63½, unemployment was still nearly at 1,500,000, but it diminished steadily to round about 1,100,000 by December. In the second six months, prices began to rise and so, in July, Bank Rate was raised to 4 per cent. The pound had got as high as $4.73½ in February 1923 but from that point it declined to $4.34. In 1923 prices rose sharply but, oddly enough, unemployment increased somewhat, while from the time the Dawes Report was published in April, the exchange rose again, and by the beginning of 1925 was once more within 2½ per cent of its pre-war parity. Some contemporary calculations seemed to indicate that at this figure, sterling was over-valued by something under 5 per cent. But even so, it looked as if the last step towards the goal ought to be neither long nor difficult. Since the Armistice in 1918, every Government, including Mr. MacDonald's, had proclaimed its intention of working towards the restoration of the Gold Standard as soon as possible, and the course of fiscal and monetary events in these years was plainly being continuously directed to this end. It will be remembered, also, that the famous Genoa Resolutions, for which R. G. Hawtrey and the late

Sir Henry Strakosch were largely responsible, urged a general return to gold among the nations of the world, though not in all, or even in a majority of the cases, at the previous parities. In fact it can be said that, when Mr. Baldwin became Prime Minister for the second time, the opponents of the policy advocated by the Cunliffe Committee were confined to a small number of those who were susceptible to the still small voice of Keynes, and this in spite of the fact that the still small voice was already beginning to be immeasurably amplified by the multiple organ of Lord Beaverbrook. Mr. Churchill reaffirmed the policy on February 12th, 1925. In March, Bank Rate was advanced to 5 per cent, which, to those who had eyes to see, meant that a decision had been taken. But there was no question of its having been a snap decision. The examination was careful and exhaustive. In Winston's private circle there were a few of the Keynes-cum-Beaverbrook school who vehemently put the case for not returning to gold at all, there were others who pressed him to wait, and others again who advocated a return but at a somewhat lower gold equivalent than the one which had prevailed in 1914. All the points made by the enemies or critics were put to his official advisers, and argued out at length in written memoranda and oral discussions. Nor did his advisers ever conceal from him that a decision to return might involve adjustments which would be painful, and that it would certainly entail a more rigorous standard of public finance than any system of letting the exchanges go wherever the exigencies of a valetudinarian economic and financial policy took them. I remember well his giving a dinner at which I was present, where there was to be a sort of Brains Trust on the subject. The proponents of a return to gold were Sir Otto Niemeyer of the Treasury and Lord Bradbury as he had now become, while the antagonists were Keynes and Mr. McKenna. The symposium lasted till midnight or after. I thought at the time that the ayes had it. Keynes's thesis, which was supported in every particular by McKenna, was that the discrepancy between American and British prices was not 2½ per cent as the exchanges indicated, but 10 per cent. If we went back to gold at the old parity we should therefore have to deflate domestic prices by something of that order. This meant unemploy-

ment and downward adjustments of wages and prolonged strikes in some of the heavy industries, at the end of which it would be found that these industries had undergone a permanent contraction. It was much better, therefore, to try to keep domestic prices and nominal wage rates stable and allow the exchanges to fluctuate.

Bradbury made a great point of the fact that the Gold Standard was knave-proof. It could not be rigged for political or even more unworthy reasons. It would prevent our living in a fool's paradise of false prosperity, and would ensure our keeping on a competitive basis in our export business, not by allowing what I believe the economists call the 'terms of trade' to go against us over the whole field, but by a reduction of costs in particular industries. In short, to anticipate a phrase which Winston afterwards used in answering a sneer about our having shackled ourselves to gold, we should be doing no more than shackling ourselves to reality. To the suggestion that we should return to gold but at a lower parity, Bradbury's answer was that we were so near the old parity that it was silly to create a shock to confidence and to endanger our international reputation for so small and so ephemeral an easement. It was very likely that contractions of the basic industries would have to be faced, but having lost the advantage of the flying start which we gained at the time of the Industrial Revolution, we should have to do something of the sort anyhow, and the best future for this country, therefore, lay in preserving and even developing our international banking, insurance and shipping position, and in turning ourselves more and more into producers of the higher classes of goods, in whose manufacture individual skill and workmanship was of greater moment than the employment of large numbers of operatives at repetitive processes — in other words, in those forms of enterprise where the man was more important than the machine. Looking back at this argument, it seems to me to embody all that conflict between the long and the short view and of the general and the particular, which Mr. Henry Hazlitt of the *New York Times* asserts in his amusing book *Economics in One Lesson* to be the essence of the cleavage between the classical economists and their modern successors. Certainly Keynes was a man of changing, if not of short, views. For example, in about

1923, I remember his writing that 'we must cling to Free Trade as an immutable dogma'. In 1930 and 1931 he was advocating a general tariff of 10 per cent to correct the initial over-valuation of sterling which he appeared to believe had persisted ever since 1925. Of course he would have preferred to devalue sterling by 10 per cent, assuming that it would have been possible to slip quietly off one parity and settle down quickly at one 10 per cent lower. But he calculated that Mr. Snowden would never willingly agree to this and so he fell back on something which was in flat contradiction to his immutable dogma of 1923. Needless to say, the high protectionists of the Tory party welcomed this notable new ally and loudly trumpeted his conversion. And in 1931 and 1932 they got their way, but it was not a uniform 10 per cent revenue tariff; there was a wide measure of industrial protection as well. Very soon after, they got agricultural quotas in addition. In the meantime, of course, Britain had gone off gold, not in a genteel way, stopping short at a devaluation of 10 per cent, but with a catastrophic fall of 30 per cent or more which destroyed whatever basis of coherence and stability the world had at that time.

One thing about this argument comes back to me with crystal clearness. Having listened to the gloomy prognostications of Keynes and McKenna, Winston turned to the latter and said: 'But this isn't entirely an economic matter; it is a political decision, for it involves proclaiming that we cannot, for the time being at any rate, complete the undertaking which we all acclaimed as necessary in 1918, and introducing legislation accordingly. You have been a politician; indeed you have been Chancellor of the Exchequer. Given the situation as it is, what decision would you take.' McKenna's reply – and I am prepared to swear to the sense of it – was: 'There is no escape; you have got to go back; but it will be hell.' I am confirmed in my recollection of McKenna's attitude by reading again his speech at the annual meeting of the shareholders of the Midland Bank on January 28th, 1925. In this, he Janus-like praises the skill of those who had been managing the currency without the Gold Standard to help them, while at the same time sagely announcing that 'as long as nine out of ten people think the Gold Standard is the best, then it is the best'. *The*

Times took this utterance as favouring an early return to gold. And in the debates in the House, not one responsible member proclaimed himself an enemy of the Gold Standard. The Labour Party wanted to be in a position to say 'I told you so' if things went wrong, and put down a formal resolution deploring the undue precipitancy of the step the Chancellor of the Exchequer was taking; but at no stage did they divide against the Gold Standard Bill or any of its provisions. Others who afterwards became strident critics of the Gold Standard imitated this interesting example of having it both ways. Snowden moved the Labour motion, but it is easy to discern, even from the dead pages of Hansard, how little his heart was in it, which was not surprising, seeing how often he had committed himself to the policy of the Cunliffe Committee. Moreover, he had, in the previous June, set up a secret committee, consisting of Austen Chamberlain, Bradbury, Niemeyer, Mr. Gaspard Farrar and Professor Pigou, which was, in effect, to advise when and how the final step in that policy should be taken. The committee did not report till after he had left office. It recommended almost exactly the procedure which his successor adopted. Winston's speeches on the subject were extremely effective, and I still find in them an entirely valid defence of the action which he then took, and which he seems subsequently to have been persuaded to repent. Some of his metaphors were apt as well as picturesque and amusing. I have already mentioned the one about shackling ourselves to reality. Others which make me chuckle to this day are his confession that 'we could no doubt keep our export trade continuously booming at a loss'; his comparison of those who wanted to go back at a reduced parity to grocers or tailors who in difficulties 'take an ounce off the pound' or 'snip an inch off the yard'; and, best of all, his assertion that what the followers of Keynes wanted was to establish a quicksilver standard.

Incidentally, Keynes wrote in the *Nation* that the Treasury and the Bank of England had contrived to arrange the return of gold along the most prudent lines open to them. There could be no doubt, he went on, of our ability to maintain the Gold Standard once the decision was made. The critics had opposed the policy of returning to it

because it was unwise, not because it was impracticable. It is to be noted that in 1925 Sir Henry Strakosch was an enthusiastic and public supporter of everything that had been done.

The immediate events seemed to justify the prophets of woe. The first effect of the return to gold was an exacerbation of the perpetual crisis in the coal-mining industry, where costs were too high in relation to output. The coal owners accordingly were once more proposing to reduce wages. Naturally threats to strike by the miners followed, and Keynes and his like put it all down to the 'Economic Consequences of Mr. Churchill'. The Trade Union Congress threatened to declare a General Strike in support of the miners. The Government decided to set up a Court of Inquiry under Lord Macmillan, of which Sir Josiah Stamp was a member. The report considered it reasonable enough that the miners should be assured of a subsistence wage, but made it clear that the mine owners could not go on paying the wages awarded under the Labour Government a year earlier. It made some more or less long-term suggestions for improving the economic condition of the industry and left it at that. But attached to the report was a long memorandum by Stamp asserting that the added difficulties of the coal trade in the last few months could be entirely explained 'by the immediate and necessary effects of the return to gold'. This somewhat gratuitous addendum to the Macmillan Report upset the Chancellor a good deal, and its conclusion was a little difficult to reconcile with the fact that the increase in unemployment in recent months had been largely concentrated in the coal trade. At the same time the Home Secretary reported to the Cabinet that the emergency organization for dealing with a General Strike was not ready. The Government, therefore, made a weak surrender to the threats and gave a subsidy to enable coal miners' wages to be kept up for nine months while the two sides 'got together'. As a face-saving device, yet another Royal Commission was set up under the chairmanship of Sir Herbert Samuel. It has sometimes been said that Winston, rattled by the Stamp attack on the Gold Standard, was one of the prime movers in the decision to subsidize wages, and certainly he stoutly defended it in the House of Commons. But Mr. Baldwin had thrown out the idea of a subsidy

in one of his 'thinking aloud' speeches a month before the Macmillan Report appeared, and the miners never allowed him to forget this fact.

Nine months later, the miners and mine owners were no nearer together. The Samuel Commission had proposed certain long-range remedies, but declared there was no escaping the necessity for some immediate lowering of wages. The owners posted notices of new wage rates accordingly. The reductions were severe, but the employers announced that they could be much smaller if the workers would temporarily abandon the statutory seven hours day. The miners' leaders countered with the slogan 'not a shilling off the pay; not a minute on the day' and the deadlock was complete. A few days before the subvention was due to end on May 1st, the Trade Union Congress took over from the Miners' Federation the discussion with the Government. Their representatives laboured manfully to avert a stoppage, but they had committed themselves to calling a General Strike unless they could secure a wage settlement acceptable to the miners, and, indeed, it became known to the Government in the course of the conversations, that strike notices for May 4th had already gone out in some of the essential public service industries. Nevertheless, and despite the misgivings of many of his colleagues, Mr. Baldwin continued the discussions, and late on the night of May 2nd a formula had been produced which the Trade Union negotiators thought might lead to a solution. While they were trying to persuade the miners to endorse this formula, Mr. Baldwin was recommending it to his Cabinet colleagues. During the Cabinet meeting, news was brought that some of the compositors at the *Daily Mail* had demanded alterations in one of the leading articles before they would print it, and, in the face of a refusal by the editor, had struck, with the result that the paper would not appear at all the next day. This was too much for the Cabinet. A letter was quickly drafted for the Prime Minister's signature, demanding that this interference with the freedom of the Press should be repudiated and that the strike notices already sent out should be withdrawn before any further talks could take place. Mr. Baldwin himself handed this letter to the Trade Union leaders. They

were dumbfounded and went away to discuss matters among themselves. In the end they sought another interview, but they found No. 10 Downing Street in darkness, and learnt from the night messenger that the Prime Minister had gone to bed. They felt that there was nothing for it but to go on with the General Strike.

This time there was no doubt about the Government's arrangements being ready. They were nominally the work of the Home Secretary, Sir William Joynson-Hicks, but they bore the hall-mark of the ability, resource and courage of the Permanent Under-Secretary, Sir John Anderson. The essence of the 'resistance' organization was, of course, decentralization, but an *omnium gatherum* met daily at the Home Office to deal with any unforeseen emergencies or circumstances. I went with the Chancellor to the earlier meetings of this committee, but it immediately became evident that little, if anything, had been overlooked, and Winston very soon confined himself to the business of supervising the official newspaper which the Government had decided to publish in the absence of practically all other written news, consequent upon the printers having joined in the strike.

The *British Gazette* did not get itself born without mishaps. It was to be produced in the offices of the *Morning Post* where a few of the compositors had remained at work. However, these took exception to the tone of some of the material for the first issue, scrambled the type which had already been set, and refused to set any more. By good fortune, replacements were, or rather a single replacement was, secured, I think from Lord Beaverbrook, but not in time to get the whole paper to press, albeit that it ran only to four pages. It was accordingly necessary to make up the first edition with some of the routine *Morning Post* material which had been set up in advance. The back page of Number One of the gazette was, in fact, filled with milk-and water articles – including, if my memory is not at fault, the weekly 'Nature Notes' – which at any rate served to dilute the controversy of the remaining three pages. At 11 o'clock on the night of the début, I was called to the telephone to hear Winston, who somewhat mysteriously asked me to come to the *Morning Post* premises. I hurried off wondering if I should find the building sur-

rounded by infuriated strikers and the Chancellor directing a battle. But there were no signs of excitement inside or out, and after some search, I discovered the great man sitting in solitary contemplation by the rotary presses. With a wave of his arm he directed my attention to the inexorable mechanical power rolling out newspapers which would, a few hours later, be distributed all over the country by a special lorry service. Whether he had any other purpose in summoning me I did not then discover, nor have I done so since. The *British Gazette* was under constant attack in the House of Commons for its alleged partiality, but, as its managing editor pointed out, the State could not be indifferent 'as between itself and that section of its subjects with whom it is contending'. He was evidently very pleased with this idea for in a later debate he proclaimed: 'I decline utterly to be impartial as between the fire brigade and the fire.'

After the General Strike had been going on for several days, Sir John Simon made a speech in the House of Commons, expounding the view that it was not a strike at all; that the decision of the Trade Union Congress was not a legal act; that every workman who was bound by a contract to give notice had broken the law and was therefore personally liable to be sued for damages; and that every Trade Union leader who had advised and promoted the 'strike' was liable in damages to the uttermost farthing of his personal possessions. Four or five days later again, the Trade Union Congress called the General Strike off and some of the ribald attributed this spectacular collapse to Sir John Simon's pronouncement. I do not believe it for a moment. Perhaps the Trade Union leaders felt a certain distaste for the task of coercing the community in which they had got themselves involved. But the prime cause of the rapid victory was the cheerful determination of the great mass of the population not to submit to coercion from whatever quarter it came. And the builders of the emergency organization took for granted this resolution on the part of the people, and utilized it in every one of the voluntary activities which enabled the life of the community to be carried on with no breakdown, and, in fact, with rather more zest than usual. Everybody knows how the Trade Union Congress graciously allowed perishable foodstuffs to be moved from

the docks and elsewhere, and how they issued to lorries engaged in this task a poster to the effect that traffic was moving 'by permission of the Trade Union Congress'. The final and conclusive comment on this was furnished by the owner of a single private vehicle who placarded it with the statement that it was running 'by my own sanguinary permission'.

The discussion about the legality of the General Strike provides a suitable introduction to a story illustrative of one of the elements in Winston's make-up which I have rarely seen mentioned, much less emphasized, namely his *gaminerie*. And to neglect this, to my mind, is to distort the picture out of all reality. It was pretty well known that the more responsible of the Labour ex-Ministers disapproved of the General Strike as being entirely out of keeping with their repeated asseverations that theirs was an evolutionary and not a revolutionary party. But at no point did they express any unequivocal public condemnation of this great constitutional outrage and the Tories made great play of this fact. In the summer of 1926 the Chancellor was going down to Manchester to make a political speech in the Free Trade Hall. Lord Derby was to take the chair and he had written a few days before the meeting to suggest that, as the sportsmen of Lancashire were a bit upset about the Betting Tax which had appeared in the Budget of April 1926, Winston should say something mollifying about it. When I saw the letter I asked the Chancellor if he wanted a brief on the subject. He replied in what I at first thought was intended to be a severe tone: 'I told you that I was not going to deal with financial topics at Manchester, but that I should confine myself to major political issues. In fact I shall take the high moral line' – and then with that urchin's look over his spectacles that I got to know so well, 'You be —— and that sort of thing.'

The General Strike lasted only for about ten days, but the coal stoppage continued for another six months. The Miners' Federation at this period was led by Mr. Herbert Smith and Mr. A. J. Cook. The former was an obstinate Yorkshireman of very limited intelligence, while the latter was an emotional Welshman with political leanings to the extreme Left. Never was there a time when enlightened and

resourceful leadership was more needed; never was there a time when it was less forthcoming. Nor was statesmanship much more in evidence among the owners, but they, at any rate, had hard economic facts to adduce in favour of their proposals. The coal-mining industry was the supreme example of the truth of the maxim 'the fathers have eaten sour grapes and the children's teeth are set on edge'. The events of 1926 provided a further heavy vintage of sour grapes, and, from that time onwards, it was probably inevitable that no solution of the problems of the industry would ever be found under private enterprise. Whether one will be found under public ownership is still undetermined. The present outlook is not very heart-warming.

Although the troubles of that year set up a lasting store of bitterness in the miners, it seemed to me then that the rest of the Trade Union movement cherished remarkably little resentment. It could be taken for granted that there would have to be some legislation to put the law concerning political strikes beyond doubt, and it was as certain as anything could be that this legislation would alter the obligation on individual Trade Unionists in the matter of the contribution to the political funds of their unions, from contracting-out to contracting-in. Contracting-out had always been a great grievance with the Conservatives and as early as March 1925 a back-bencher had introduced a private member's bill to alter it. Given the enormous majority of the Tories and their strong feelings, it was long odds on the bill being given a second reading and ultimately reaching the Statute Book. But Mr. Baldwin himself intervened with one of his visionary speeches to remind his followers how vital it was to try to get industrial peace and, if, unfortunately, peace was not attainable, how important that the Tories should not fire the first shot. Moreover, a bill on so controversial a subject ought not to be left to the initiative of private members but should be the result of a deliberate act of Government policy. Mr. Baldwin's appeal was successful, but after the attempt to hold up the whole life of the country, he could scarcely avoid taking up the question again. Nevertheless, the legislation was decently delayed for a whole year till tempers had cooled, and in spite of the strenuous debates, I saw, or thought I saw, little sign, either then or

afterwards, that the amendment of the law relating to trade disputes had brought about any general ill feeling. In the year of grace 1946, however, I came to the conclusion that I had been mistaken, for one of the first acts of the Labour Government of 1945 was to repeal the Trade Disputes Act of 1927, lock, stock and barrel, and the highly imaginative emotionalism of Mr. Ernest Bevin's speech in the Commons on the repealing bill revealed the fires which had been smouldering beneath the surface for nearly a generation. I knew, of course, that the Labour Party had, in 1926, accused Winston of having been provocative over the *Daily Mail* incident which heralded the General Strike, and I knew that they believed him primarily responsible for the Cabinet decision to introduce the Trade Disputes Bill. But any feelings they had didn't seem to go very deep. I was evidently wrong, and perhaps the suppressed intensity of these feelings accounts for the party's reluctance to pay heed to Winston's warnings over German rearmament, and for the persistence of their organizations in working against the Conservatives in the constituencies, throughout the period when Labour leaders were serving in the war-time Coalition. It may also explain why the Labour chiefs found it so easy to abandon, for the customary acerbities of party politics, the almost superstitious reverence they had displayed for the war-time Prime Minister.

There is something ironical in Winston's being thus regarded with suspicion by the Left, seeing that for many years he has been by no means entirely acceptable to the Tories. Indeed it looks as if he never found his true spiritual home after the Liberal Party ceased to be of account. In the late summer of 1926, the Prime Minister had gone off to Aix for his annual holiday and Winston was more or less left in charge of domestic affairs. His restless temperament and his natural reasonableness of mind led him to a new attempt to bring mine owners and miners together, and he conducted a series of discussions with both sides. But on the one hand was the incredible obstinacy of Herbert Smith, and on the other the unwillingness of the owners to surrender any part of the victory which they thought the failure of the General Strike had brought them. And the Tory Party generally made it quite clear that they did not like Winston's interference.

In passing, I may also mention that six months earlier, when negotiations over the revised boundary of the Irish Free State were going on between President Cosgrave and Sir James Craig (afterwards Lord Craigavon), although Winston more than anybody else concerned himself to protect the interests of Ulster and the southern loyalists, the Tories still could not forget his having ratted in 1903, or Ulster his having sent the Navy to Lamlash in 1914 to overawe them.

The events of 1925 and 1926 undoubtedly led to something very like an estrangement between the Chancellor and the Governor of the Bank of England. These two had some things in common — a profound sense of public duty, great vision, a pronounced obstinacy and desire to have their own way, jealous pride of position and so on. But they were totally unlike in others. Winston was a magnificent rhetorician. He also had a sense of mischief which kept creeping into his rhetoric. Norman was no talker. He found it difficult to assign reasons for the faith that was in him and he was no believer in admitting anything in the nature of levity into the serious business of public finance. Of course they met frequently — they had to — and this gave the Chancellor of the Exchequer abundant opportunity to make speeches about the evil effects of the Gold Standard — partly abusive, partly derisory and not entirely unmeant. The Governor retired more and more into his carapace, and the so necessary relations of confidence and candour ceased to exist. Moreover, Winston sought to exercise more pressure in the matter of Bank Rate policy than was in the bond in those days of private enterprise. On one occasion he actually ordered the Governor to suspend a rise in the rate which the Treasury Committee of the Bank had decided to recommend to the Court. Mr. Norman stood on his legal right and refused, and for a long time after this there was no fun in Winston's references to the Governor. Indeed he got into the habit of almost spitting out comments on the presumed enormities of 'that man Skinner' — Mr. Skinner being the private secretary in whose name Mr. Norman was accustomed to reserve his frequent steamer passages to New York. Naturally the Private Office tried to restore relations, and from time to time we had a measure of success, but there were always others who were only too ready to undo our work.

III

It is high time that I left the Gold Standard with its consequences, real or supposed, financial, economic, political or social, and gave some attention to other features of Mr. Churchill's tenure of the Exchequer. In this section I propose to deal with his budgetary policy, with his activities in the sphere of Reparations and inter-Allied debts, and with his adventures in the realm of Retrenchment.

Mr. Churchill's five Budgets disclose a fairly consistent pattern. In spite of all the Keynesian jibes, his main object was always the reduction of unemployment. He showed himself much under the influence of the twenty years he had spent in the Liberal Party, for it was he who impelled Mr. Baldwin's Tory Government into the great advances in the scheme of Contributory Pensions, and he certainly exercised all his skill and might to oppose any serious departure from our fundamentally Free Trade system. It is true that the Prime Minister announced during the debate on the Address in 1924 that a new Safeguarding of Industries Bill would be introduced, which horrified Mr. Snowden who abominated all fiscal protection and Lloyd George because, under the bill, the duties would be general and not directed only against the country from whom the supposedly unfair competition came. But their alarm was unnecessary, for the second Government spokesman was the Chancellor of the Exchequer who made it clear, amid a good deal of smoke-screen jeering at his old Free Trade associates, that if more than a limited number of industries were protected under the new policy, it would be a breach of Mr. Baldwin's election pledges. He also explained that the Government would not implement the Imperial Preferences which the Labour Government had rejected, but would, instead, pay their money value into a Marketing Fund for stimulating the consumption of Empire goods. A protectionist party could not very well have done less!

I think I would say that, in keeping with his temperament, Winston eschewed the simple in favour of the complicated and ingenious, that he tended to overestimate revenue and underestimate expenditure, and that, as in the case of the Dardenelles, he was apt to spoil a brilliant

project by not assuring himself in advance of sufficient resources to carry it through to the end. He was therefore reduced to all sorts of shifts and expedients in order to avoid having to go back on policies on which he had perhaps too confidently embarked. Nevertheless, his financial administration as a whole displays a great hankering to be considered orthodox – no doubt partly because he wished to counter the readiness of the Tories and the City of London to consider him unreliable and unorthodox, but also, I think, because he had convinced himself that there was a good deal to be said at that time for respectability and realism in economic affairs.

Finally, it is possibly worth remarking on the way in which, in his public or private exposition of financial projects, he envisaged himself as conducting a military campaign. In official circles we used to get great amusement from his creation of fortifications here and of masses of manœuvre there, from his mining and counter-mining and all the other stratagems deriving from his Sandhurst days and his Napoleonic reading.

The 1925 Budget started in the bath, by which I mean that one morning in February or March, Donald Fergusson was summoned to go to Winston in his bathroom at No. 11. Obviously in the circumstances the normal ministrations of the lady shorthand writer would have been out of place, so Donald had to scribble down in longhand the opening sections of the Budget speech. The main decisions had already been taken, but the office had not even begun to provide the customary preliminary draft of the speech. The outstanding provisions of the Budget were two – the introduction of the huge scheme of Contributory Widows, Orphans and Old Age Pensions, and a considerable rearrangement of taxation designed to foster enterprise and therefore employment. Winston first of all increased Death Duties to yield £10 millions a year, and made a corresponding reduction in Super Tax. He lowered by 6d. the Standard Rate of Income Tax and gave a substantial increase in the Earned Income Relief. He also reimposed the import duties on foreign motor cars and instituted a scale of duties on silk and artificial silk, which, despite the fears of the officials who helped him produce them, have survived to this day. The

plan is quite obvious – to transfer some of the burden of direct taxation from the active to the inactive, and at the same time to start it on a definitely downward trend; to stiffen the indirect taxation on luxuries; and to carry on the Lloyd George traditions of making and helping industry provide for those who have fallen by the wayside or grown old in its service. I am afraid that the Tories were not very grateful for the reductions of Income Tax and Super Tax. They hated the increase in Death Duties, and they thought the extended insurance scheme a wanton mortgaging of the future. They also were inclined to think that the Chancellor was unjustifiably optimistic in his estimates of revenue. In fact, the Budget did end with a substantial deficit, but this was explained entirely by the subsidy to coal miners' wages given after the year had started. One passage of Winston's speech was devoted to 'Economy' and, somewhat rashly, he committed himself to the view that a progressive reduction of expenditure of £10 millions a year was a not unattainable object of endeavour. He was to get a good many reminders of this utterance as time went on.

The next Budget was introduced just before the coal subsidy was due to expire, and Winston was, therefore, not in a position to forecast the future with assurance. He decided to proceed on the assumption that there would be a peaceful outcome of the discussions which were then proceeding. On this basis, he took such steps as he considered necessary to replace the raid on the Sinking Fund caused by the deficit of the previous year, and to fortify his position against the danger of having to put back some of the taxation he had removed. First he curtailed the period of credit allowed to brewers for the payment of Beer Duty, and so got into the Exchequer a windfall of £5 millions. Next he resumed for the general Budget account, £7 millions out of the balance in the Road Fund. This fund was fed by the proceeds of the Motor Vehicle Duties, and it had a balance of £19 millions, which, with the then standards of road construction and maintenance, the authorities appeared to be unable profitably to expend. Simultaneously, he increased the duties on motor lorries and buses for the benefit of the Road Fund, but claimed for the Exchequer what he considered to be the 'pleasure' as opposed to the 'road user' element of

the duties on private cars. Finally, he imposed a tax on betting transactions which he thought would yield him £6 millions a year at least. He was advised by his officials not to put his head into this hornet's nest, but he persisted, and duly got stung. He aroused, of course, not only the pious of all denominations and the bookmakers, but also those who took a strait-laced view of what was fitting in public finance, and the Stewards of the Jockey Club as well. The tax would probably have worked quite well if the bookmakers had been prepared to make themselves the collectors of it by reducing their odds, but they were unwilling to do this, and the impost was collected on turnover, or rather on the bookmakers' accounts. Over the next three years the tax was twice reduced in efforts to induce the bookmakers to 'play' but to no purpose, and finally in his last Budget, Winston repealed the main part of the tax, leaving only some smallish licence duties and a levy of ½ per cent on transactions with the totalisator, which had been legalized through the agency of a private member's bill in 1929. Even these scanty relics of the pilgrimage disappeared in the first Budget of Winston's successor.

By means of these various shifts and changes, the Chancellor produced a small surplus – all on the assumption that there would be no trouble in the coal fields – which he added to the proposed Sinking Fund to compensate for the deficit of the previous year caused by the coal subsidy. By this expedient, no doubt, Winston hoped to impress with his orthodoxy, and at the same time, he was in some measure shortening sail in case there should, after all, be large-scale industrial strife.

Industrial strife duly came and, as we have seen, although the General Strike was soon smashed by the calmness and common sense of ordinary people, the coal miners fought on for six months. Between the two, the balance of the Budget was ruined, and in April 1927 the Chancellor was forced to disclose a realized deficit of £36½ millions. He calculated that the strikes had involved £14½ millions of extra expenditure and a loss of revenue of £17½ millions, and that he would have to reckon on a further loss of revenue of £18 millions in the financial year 1927-28. Again he met the situation largely by

non-recurring devices. It is true that he made slight increases in the taxation on matches, heavy wines and tobacco, but for the rest, he took another month off the Brewers' Credit, he laid hands on the remaining £12 millions of Road Fund balances, and he made Income Tax under Schedule A (Property Tax) payable in one instalment instead of two. By this last means, he brought an extra half-year's tax into the year of account, and so gained a once-for-all advantage of £15 millions. In his speech, Winston explained that the change did no more than make half the tax payable six months earlier than it otherwise would have been, and that, accordingly, it would all straighten itself out six months after the end of the world. His actual words were:

> All that will happen is that, at the end of the world if that date should fall between December and July, the Chancellor of the Exchequer – whoever he may be – will be found with one additional instalment of Schedule A in his possession. As to the taxpayer, if the end of the world comes to him between these dates, December and July, he dies having already paid one instalment which, under the existing system, would remain to be paid by his executors. His personal position, is not therefore, through the change I am making, further damnified either in this world or the next.

Later in the Budget debates, Winston was solemnly and at great length taken to task by a somewhat portentous member for jesting on so serious a subject as taxation. It was typical of his irrepressible but not always seasonable sense of humour that, in his reply he remarked upon 'a speech which, at one time, I was really afraid might not end until six months after the end of the world'. And he didn't at all assuage by adding, 'I should like to say, however, that he made an excellent speech, and I was almost ready to wait so long.' On the same occasion he referred to the fact that Mr. Gladstone had once adopted a very similar expedient and used about it a somewhat similar justification. He could not resist adding:

> I have always been very much struck by the advantage enjoyed by

> people who lived at an earlier period of the world than one's own. They had the first opportunity of saying the right thing. Over and over again it has happened to me to think of something which I thought was worth saying, only to find that it had been already exploited and very often spoiled, before I had an opportunity of saying it.

The proposals as a whole were estimated to produce a surplus of £15 or £20 millions, and Winston proposed to use most of this to repair to some extent the reduction in the allowance for debt repayment caused by the deficit of £36½ millions. We can again see an obstinate refusal to go back on the carefully thought-out scheme of 1925, and the grimacing tribute to Gladstonian financial purity. As a side dish, Winston introduced an ambitious alteration in the structure of the Income Tax and Super Tax which, however, made very little difference in practice except to remedy a defect in the existing law whereby Super Tax was paid on one year less than the number of years for which an income of over £2000 was drawn. The idea behind the change was to make it clear that Income Tax and Super Tax together made up one progressive impost which proceeded steadily and remorselessly from nil on the lowest incomes to very large figures on the highest, and to establish that it was the same body of income which was being taxed throughout. In keeping with such a conception he instituted the single return for all classes of income. Probably none of this was worth the adminstrative and legislative effort it absorbed. A greater measure of uniformity in the basis of assessment was indeed effected, but it vanished again with the extension of the Income Tax during the war into practically the entire wage-earning range. Winston's speech was described by Lloyd George as 'over 2½ hours of extraordinarily brilliant entertainment' and its author as 'the merriest tax collector since the days of Robin Hood'.

The Budget of 1927-28 realized expectations, and in 1928-29 the Chancellor was able to resume his design of influencing trade and employment by means of financial policy. His plans involved intruding into the realm of the Ministry of Health, and there is no doubt that

Neville Chamberlain resented the trespass. Nevertheless, Winston carried his proposals through the Cabinet and announced them in the Budget, though the main labour of the negotiations with Local Authorities and of piloting the attendant legislation through Parliament fell on Mr. Chamberlain.

The staple of the plan was the relief of industrial premises from three-quarters, and agricultural land from the whole, of the burden of local rates, and the compensation of the municipalities for the corresponding loss of income by enlarged Exchequer grants. At the suggestion of one of his Treasury officials, Winston added to his 'De-Rating' project a considerable reshaping of Local Government involving the suppression of many of the smaller and more specialized agencies – in particular the much and somewhat unfairly maligned Boards of Guardians, a great concentration of responsibility in the hands of County and Borough Councils, and, over a large part of the field, an entirely new system of allotting Exchequer grants. In future these were to be based not, as hitherto, on a refund of a fixed percentage of what each unit could afford to spend, but on their needs as measured by an extremely complicated but universal formula. To prevent the formula producing too sharp a diminution in the Government aid to the prosperous areas, and to give rates generally a downward impulsion, an extra £5 millions was to be found by the Treasury. The bulk of the £30 or £35 millions involved altogether was to be met by taxing petrol and kerosene without any lowering of the existing duties on motor vehicles. For the rest, it was to come from an amalgam of making the taxation start eighteen months before the relief and a draft on what was supposed to be the future expansibility of revenue. Incidentally the railways were to count as industrial premises, but, in their case, the relief was to be passed on in the shape of reductions on certain selected freights, which were in fact those affecting primarily the heavy industries where unemployment was most severe. Later on when the drain of funds to America was intensifying the contracting pains of the coal and steel industries, the operation of this relief was brought forward by ten months. There was also in this year a small reduction in the Sugar Duty and an enhancement of the Income Tax Allowance for children.

Finally, the Chancellor decided to reinstate the Fixed Debt Charge of the Victorian era so as to offset the capricious effects of oscillations in short-term interest rates. This interesting revival vanished, like so many other things, in the upsets of 1931.

The out-turn of the 1928-29 Budget was rather better than expected, and the Chancellor therefore took a rosy view of the revenue prospects of 1929-30. I daresay he was helped to this resolution by the fact that a General Election was due, though even his optimistically estimated resources would not provide very much with which to beguile the electors. He decided to give higher grants for road maintenance, to repeal the Railway Passenger Duty on condition that the railways spent the capital equivalent in modernizing themselves, to accelerate the agricultural part of the de-rating scheme, and to repeal altogether the tax on tea. A large part of his speech was spent in a review of the whole period of his stewardship. Despite the self-flagellation of the General Strike and the Coal Stoppage, notwithstanding all the gloom about the return to gold, things were better, and it was to be hoped that the corner had been turned. London had regained its position as the financial centre of the world, our favourable balance of trade and services had nearly doubled, and the fall in the cost of living was equivalent to a remission of £160 millions of indirect taxation. In any event, 'better hard times and a continuing nation than lush, lavish indulgence and irrevocable decline'. This speech seemed to me at the time a pretty cogent defence of his actions at the Treasury, and I would still regard it as valid in spite of all that has occurred since. But the flow of money for speculation in Wall Street had already, by the spring of 1929, become serious; it had necessitated an increase in Bank Rate and so had exposed still more brutally the weaknesses and maladjustments of the coal and steel trades in the United Kingdom. All the same, who could have seen then, that in less than three years, this was to lead to the destruction of the beneficent internationalist mechanism of the nineteenth century and to a singularly unpleasant new world?

If Winston had hoped to charm the electors by his 1929 Budget, he was disappointed. After the election, the Tories no longer had a majority and were not even the biggest party. Some of them were inclined to

attribute the result largely to the Chancellor's empiricism and meddlesomeness. I thought, and still think, that the causes of the Tory defeat lay elsewhere. The electorate had been enormously extended by the enfranchisement for the first time of women between 21 and 30, and the young are always more to the Left than their elders. Accordingly the slogan of 'Safety First' which Mr. Baldwin decided to adopt was not well calculated to bring success. Moreover, there was genuine uneasiness throughout the country over the persistence of unemployment at a million or more, and this was ripe for exploitation by a party which professed to have a cure for all that, and for most other ills as well. Finally, and I suspect most important, the vast modern electorate seems to wish not to have a Government of one complexion for more than five years at a time unless its natural desire for change is overridden by some very strong specific motive.

I now come to the subject of Economy. The aim of a progressive reduction in expenditure of £10 millions a year announced by the Chancellor in the 1925 Budget was anyhow a hostage to fortune. It was all the more so in that the Chancellor was at the time battling with the demand of the Navy for a programme of new construction. Nothing had been included in the original Navy Estimates on this account, but obviously there would have to be some replacements of obsolescent ships. After a prolonged struggle, the swaying fortunes of which had been bruited in the newspapers – in accordance with the usual Admiralty plan of controlled leakages – the Prime Minister announced late in July a modest but not at all cheap programme which would cost little in 1925-26 but 4 or 5 millions a year thereafter. The whole expense in the current year, and as much as possible of it in future years, was to be met by retrenchment in other Navy Votes. In the ensuing debate Winston was jeered at for having this time been defeated by the Admirals and for the failure *in limine* of his plan for saving a cumulative £10 millions a year. A fortnight later he was given another go-round on expenditure, and this time he defended himself by pointing out how much of the estimates represented inescapable commitments and how small was the controllable margin. He was evidently in a more cautious mood, but he did announce the appointment of a committee of three,

two of whom were ex-Secretaries to the Treasury, to stimulate the sailors in their search for savings. There was already a Cabinet committee on expenditure generally, and the results of its labours appeared with the introduction of an Economy Bill in the following March. The bill was to produce an improvement in the Budget of something like £10 millions a year, mainly by reducing the Exchequer contributions to Health and Unemployment Insurance and to the cost of Education. He was vehemently attacked for trying to revenge himself for his defeat at the hands of the Navy by cutting the social services, but as he pointed out, the Cabinet Committee had, in fact, effected savings of £14 millions in ways which did not require legislation, £10 millions of it on the Fighting Services. In the Second Reading debate, the Chancellor analysed the expenditure of about £800 millions included in the 1925 Budget and divided it into:

(i) Obligatory (Debt and Pensions)	£476 millions
(ii) Grants to Local Authorities	£90 millions
(iii) Self-Supporting (Post Office and Road Fund)	£67½ millions
(iv) National Administrative Services	£165 millions

He pointed out that the whole range of reducible expenditure was included in the last category which in fact exceeded the corresponding pre-1914 figure by no more than the ratio of the rise in prices. All this was very reasonable, but why then proclaim as an objective a progressive reduction of £10 millions a year? Anyhow, he was obliged to confess that, with all his hard-won economies, expenditure in 1926-27 would be no less than in 1925-26 because of the automatic expansion of existing commitments and the cost of Widows' Pensions and new Cruisers. The Economy Bill had a rough passage, and there were two or three all-night sittings. In his final speech, Winston amusingly tabulated the abusive epithets which had been applied to him during the debates, and rather sourly pointed out what happened when attempts were made to translate the insincere general demand of the Opposition into specific proposals.

In the 1926 Budget a few days afterwards, he made no further promises, but after the General Strike had come and gone, he remarked

that the need for economizing had been greatly increased by that experiment. A year later he excused himself for his £10 millions a year aim in the words:

> It is much better to have an objective even if you fail. Therefore I in no way regret the hope which I expressed nor shall I allow imperfect achievement in the past to prevent perseverance in the future.

He had to confess that though he had saved enough to pay for all his own new ventures, the estimates were up by £28 millions and it was difficult to cut into this, seeing that the 'field had been gleaned and re-gleaned'. However, as an earnest of good intentions, three minor departments were to terminate their separate existence and to be taken back into the bosoms of their former parents. In addition, the Civil Service would recruit fewer entrants from the annual open competitions. He had other things in mind for the next year, but declined to give any undertakings. This was just as well, for there was a fury of protest over the projected abolition of the three departments and in point of fact they never were abolished. For the rest of 1927 and the early months of 1928, the House of Commons took little interest in retrenchment. On one occasion a debate on a private member's motion on the subject was counted out for lack of 40 members prepared to listen to it, and a Tory back-bencher's amendment to the Address on the King's Speech attracted such meagre attention that the Chancellor left the discussion in the hands of the Financial Secretary. In the 1928 Budget speech, Winston set up a new form of accounts whereby the Post Office and Road Fund figures were shown net rather than gross. Starting from this he managed to prove, by eliminating also the increased provision for debt repayment which, of course, showed virtue and not vice, that in four years he had reduced expenditure by £12 millions even after providing £24 millions a year for new beneficial services. Moreover, he had diminished by 7000 the number of Civil Servants. Mr. Snowden sniffed violently about the new arithmetic, and pointed out that anyhow it added up to much less than a progressive £10 millions a year. The last word on economy was contained in the

Budget of 1929. The final result of all the labours of Hercules was, on his own special methods of computation, a saving of £13 millions a year, and this really was final, for the Chancellor declared that there was no room for large cuts in the social services, and that large cuts in armaments were dependent on international agreements.

I close this section with the story of Winston's discussions with foreign countries over War Debts and Reparations. There was a debate on these twin subjects on the Address in December 1924. By this time the Dawes Plan had got under way, and there was, accordingly, the prospect that there would soon be some money to divide among the Allies. It will be remembered that the annuities under the plan were to be all-embracing and that they were to cover, as well as Reparations proper, the costs of the Armies of Occupation (including arrears) and any other claims on Germany. It was known that the United States had a claim for occupation costs, and she had also given notice that she had an appreciable Reparations claim too. This latter had aroused some indignation in British quarters in view of the fact that America had in 1920 high-mindedly drawn her skirts aside from the business of collecting money from Germany. However, there was to be a conference in Paris in January 1925 to divide the spoils. In the course of the debate, Winston referred to this conference and hoped that those who attended it would act in a spirit of comradeship and not of haggling. He took as one of the fixed poles of our policy, Mr. Baldwin's American debt settlement which, whatever individuals might think about it, would be faithfully carried out. The second was the Balfour Note of 1922. Notwithstanding what he said, Winston started out for Paris filled with resolve to put the Americans in their place. Unfortunately, however, he came up against a very tough guy in the person of a Colonel James A. Logan, Junior, the American observer on the Reparations Commission. Colonel Logan, being resident in Paris, did not mind how long the negotiations lasted, but Winston very soon became impatient to go back to London, and consequently the Americans got rather the better of the bargain. Alongside this conference, the Chancellor had some conversations with M. Herriot and with his Finance Minister on the subject of the French debt to Great Britain,

but the horses could not, on this occasion, be brought to do more than look at the water. He therefore opened up the topic at a private dinner with MM. Briand and Loucheur, neither of whom was then in office. They found it easier than the Ministers concerned to contemplate the possibility of something being done. From this engagement he came back to the Embassy in a state of high good humour at the thought that, for the first time, French statesmen – albeit not those in a position of responsibility – were prepared to think it conceivable that France should come to a settlement of her debts. I asked him what sort of figures they had in mind and when I, somewhat blightingly and once again going beyond the normally permitted licence of a private secretary, expressed some derision at the suggested payments and the 'delay action' attaching to them, I was invited with great fury to go and boil my head.

In June 1925 the Treasury sent a note to our various Allied debtors, hoping to receive cash payments from them at an early date. At the end of August, M. Caillaux, who had become the French Finance Minister two months before, came to London to discuss the question, and in a very few days he had settled with the Chancellor in principle to discharge the French debt by 62 annual payments of £12½ millions, subject to the later arrangement of some tiresome but subsidiary points. There would be smaller payments in the opening years and bigger ones in the second half of the period. In the present value, this settlement represented no more than two-fifths of the capital of the debt, so M. Caillaux had proved himself a very successful bargainer. My recollection of Caillaux is of a brisk, dapper, voluble old gentleman with a domed bald head on the periphery of which there were fringes of manifestly dyed hair. It does not at all accord with a portrait of a ruthless politician who, alone of Frenchmen, had been bold enough to impose an Income Tax, who had inspired such devotion in his wife that she murdered one of his traducers, and whom Clemenceau had proscribed during the war as an outstanding danger to the Republic.

Before the Caillaux settlement in principle could be turned into a hard and fast contract, the French Government had changed, and there was a succession of short-lived Ministers of Finance who vainly tried

to cope with an empty Treasury and a declining franc. In July 1926 M. Caillaux's turn came again, and he quickly settled the outstanding points and signed a firm agreement. But the fall in the franc continued, and a few weeks later France turned to Poincaré, who became both President of the Council and Minister of Finance. Almost at the outset he promised to honour his predecessor's signature, but in point of fact, the agreement was never ratified, though up till the crisis in 1931 the payments due under it were punctually made each year.

Another visitor was Count Volpi, the Italian Finance Minister. He was of very humble birth, and both he and his equally humble spouse were delighted when Mussolini ennobled them; indeed so much so that one of the few persons in Rome with sufficient temerity to deride exalted members of the Fascist hierarchy referred to her as 'La Contentessa'. Volpi was a stocky little brigand with features justifying his name. He afterwards was banished to being Governor-General of Tripolitania, and when I was visiting the troops in North Africa in 1943, I was entertained by the British Military Governor of the captured province in Volpi's extremely comfortable, and I am bound to say, tasteful villa a few miles out of Tripoli. He was an even better negotiator than Caillaux, for he settled with Winston for 62 payments averaging between 4 and 5 millions a year in full discharge of a debt of over £500 millions. After the agreement had been made, there came into our hands a telegram from Mussolini authorizing Volpi to go as far as £5 millions a year!

By the end of 1927, all the minor debtors had settled also, though the Chancellor took no part in the actual negotiations. Later on, the great Venizelos himself came to plead for an alleviation of the Greek terms. At this period of his life there remained, so far as I could see, no trace of the great statesman who had made modern Greece and broken kings in the process. Indeed, he must have been sadly lacking in perspicacity, for his opening oration was so long and so devoid of interstices for interruption that Winston got bored with it and went away, leaving the discussions in charge of the Treasury officials. The Chancellor had been anxious to lighten the existing agreement rather against the advice of the Treasury, and so Venizelos, by his undis-

ciplined eloquence, deprived his country of what it might easily have had. But it was only for a time, for the Greek financial agreement went the way of all the others at the Lausanne Conference of 1932.

More than once during this Parliament there were set debates on the topic of inter-Allied debts and reparations. Snowden went through the motions of belabouring Winston for the leniency of his settlements with France and Italy, and was on occasion supported by Lloyd George. I never thought that the diatribes were meant very seriously, and in any event their victim was able to show that he had, by the beginning of 1929, achieved the balance between our payments to America and our receipts from Germany and the Continental Allies together, which it had been his aim and that of the Balfour Note to obtain – and this in spite of the fact that nothing whatever was being received from Soviet Russia, the special friends of the Labour Party. All the same, Winston wasn't a good dun. He hadn't the qualities which make a man capable of driving hard bargains. He didn't like the business and he was impatient to get it over, and he could therefore nearly always be defeated by an antagonist who was prepared to spin out negotiations. As he himself once admitted publicly, he was not a good Shylock.

There is one more financial arrangement of this Parliament which I ought to mention. In due course the Germans began to ask that the strict oversight of their finances enacted by the Dawes Plan should be relaxed. Mr. Parker Gilbert, the Agent-General for Reparation Payments, was more than a little inclined to agree with them. Simultaneously Germany, who meanwhile had signed the Locarno Pact and had been admitted to the League of Nations, raised the question of the complete evacuation of the Rhineland. The French took the view that this was contrary to the treaty until there had been a final settlement of the Reparations problem. After a good deal of discussion, a new committee under Mr. Owen D. Young was instituted to draw up proposals for 'a complete and final settlement'. This time the Germans were full members and the committee was to report primarily to the Governments. During the preliminary argumentation, the Chancellor paid a visit to Poincaré. The others present at the meeting were Parker

Gilbert and myself. Winston talked volubly in what I imagine wasn't very good French. He certainly used throughout the word *figures* when he ought to have said *chiffres*. No flicker of emotion or indeed of consciousness passed over Poincaré's features; I remember only that he was unusually amiable.

IV

So far I have tried to fit my memories of the years 1924 to 1929 into broad categories of policy. But a large part, if not most, of so intimate an association refuses to be confined in this manner. I recollect the minor crisis over the Irish Boundary in December 1925. This was ended by an agreement not to attempt to re-draw the boundary, the abandonment of a large part of the financial claims of the United Kingdom on the Free State, and some material financial help to Ulster. In a way it could be said that a flare-up was avoided by the British Treasury bribing both southern and northern Ireland to keep quiet. But the Chancellor was determined to do everything possible to ensure the continuance of the settlement of 1921, and in this he was firmly backed by Lord Birkenhead, who was associated with him in the negotiations. I was much struck at the time with F. E.'s balanced and cool judgment and the charm of his voice and personality on those occasions when he was engaged in assuaging and not making trouble. I was impressed too with the statesmanship and courage in this matter of Sir James Craig and the Free State representatives, particularly of Mr. Kevin O'Higgins. It will be remembered that the issue of these discussions was the signature for the first, and I believe for the last time, of a single document, and a whole-hearted public commendation of it, by all three parties. It really looked as if the Irish problem was at last in the way of settlement. But O'Higgins was murdered 18 months later, and from then on Mr. de Valera seemed to gain ground on Mr. Cosgrave and southern Ireland to move further and further away from the rest of the Empire. I used to think that O'Higgins, if he had lived, might have prevented this sorry termination to the setting up of the Irish Free

State. Whether there was any warrant for this view I cannot now tell, but I am sure that it wasn't just an hallucination, for I know that some of my Irish friends share it to this day.

Again I remember, though not now in their due order, a long series of brilliant, irreverent and even ribald quips. There was the jeer at Mr. Runciman who, in a speech condemning the Betting Tax had 'told us, with engaging candour, that when he visited a race course he delighted to see the beautiful horses racing together, but was quite indifferent as to the order in which they are arranged'; and the amused surprise at the use of the words 'hostility men' by a Labour member in description of Kitchener's Army and all the other non-Regulars: 'Hostility men indeed! I suppose he means those five million amateurs who came along and helped the professional Army to win the war.' Then there was the outburst, after an interview with a certain incurably bourgeois Minister: 'I can get on with my own class, I can get on with the working class, but I cannot stand these adjectival grocers'; or his explanation of one of Mr. Baldwin's ministerial appointments as being governed by a desire to show that the Conservative Party was not confined exclusively to gentlemen. Irreverence was indeed an essential part of Winston, and he could be quite devastatingly indifferent or even insolent to pompousness or portentousness whether he found it in the House of Commons or elsewhere. But there were two men to whom he was never irreverent and to whom he looked up with something very near to devotion. The first of these was Lord Birkenhead and it is widely known how, after his early death, Winston busied himself among the rich of his acquaintance and collected a substantial sum of money to repair for F. E.'s family the consequences of his improvidence. The funeral tribute which was afterwards printed in *Great Contemporaries* — published in 1937 — is a touching and warm-hearted memorial to friendship such as it would be hard to parallel in English literature. His second unalloyed admiration was for Lloyd George, and I have already quoted the remarkable homage which he paid in the essay 'Personal Contacts' in the volume *Thoughts and Adventures*.

Perhaps I have gone a little beyond exact truth in the foregoing.

Winston did give L. G. a drubbing for his attitude towards the General Strike, just as once in the second World War he rebuked the old man's pessimism rather more roughly than was called for. And he poked a good deal of fun about the Liberal 'Yellow Book', with its optimistic title *We can Conquer Unemployment*, describing it as 'the Yellow Dawn' and its main proposals as 'the policy of buying a biscuit early in the morning and walking about all day looking for a dog to give it to'. F. E. got a lick too from time to time; for example I once found in Winston's box after a Cabinet meeting, on the Agenda of which was a paper by Lord Birkenhead as Secretary of State for India, a slip recording the following interchange:

> F. E. What is the value at the present rate of exchange of a lakh of rupees?
>
> W.
>
> Go to hell.
>
> B.

The Chancellor of the Exchequer was evidently very much given to this kind of thing, for I have another slip which sets out an illuminating and characteristic triangle of remarks with Austen Chamberlain and Baldwin.

> Winston, I am entirely with you on this.
>
> A. C.
>
> I am not entirely with myself.
>
> W. S. C.
>
> How well I know that feeling!
>
> S. B.

Other memories which crowd back into my mind are his fond and possibly even doting pride in his family, his eager persistence in playing polo well on into his fifties, indeed, the enthusiasm with which he pursued everything which happened to interest him at the moment — painting, the new atomic physics, making lakes in his grounds at Chartwell, bricklaying. Then again there was his perennial interest in military affairs, his preoccupation with the history and anecdotes of

Napoleon, and at times his conscious regulation of his words or actions by the great man's precept or example; and perhaps most fascinating of all, his concern with things supernatural.

Mr. Churchill's religious views do not often obtrude themselves, either in his writings or in his conversation, but when they do, they make a tolerably clear and consistent pattern. In *My Early Life* he describes himself as having, during his time at Bangalore, passed through 'a violent and aggressive phase which might easily have made me a nuisance'. But, as he goes on to say:

> My poise was restored during the next few years by frequent contact with danger. I found that whatever I might think and argue, I did not hesitate to ask for special protection when about to come under the fire of the enemy; nor to feel sincerely grateful when I got home safe to tea. I even asked for lesser things than not to be killed too soon, and nearly always in these years, and indeed throughout my life, I got what I wanted. This practice seemed perfectly natural, and just as strong and real as the reasoning process which contradicted it so sharply. Moreover, the practice was comforting and the reasoning led nowhere. I therefore acted in accordance with my feelings without troubling to square such conduct with the conclusions of thought.

This is in keeping with something he wrote at the time of his escape from Pretoria:

> I found no comfort in any of the philosophical ideas which some men parade in the hours of ease and strength and safety. They seemed only fair-weather friends. I realized with awful force that no exercise of my own feeble wit and strength could save me from my enemies, and that without the assistance of that High Power which interferes in the eternal sequence of causes and effects more often than we are always prone to admit, I could never succeed. I prayed long and earnestly for help and guidance. My Prayer, as it seems to me, was swiftly and wonderfully answered.

And many years later, of an escape in France during the 1914–18 War we get:

> And then upon these quaint reflections there came the strong sensation that a hand had been stretched out to move me in the nick of time from the fatal spot.

These quotations fit well with the result of my own observation, for I had, and have, no doubt that Winston is a convinced believer in a Higher Power and, if he also believes that this Higher Power has on occasion intervened in the affairs of this world directly on behalf of Winston Churchill, and that He did so on the request of the said Winston Churchill, surely that is a good deal better and even a good deal less crude than the *néantisme* or behaviourism of so many of the very modern. And if the Higher Power did make it His business to preserve Winston Churchill, later events were to prove that it was to the immeasurable advantage of the British peoples and Western civilization generally.

The five years from 1924 to 1929 were altogether for me a fascinating and formative period, and it was a great wrench when this active and intimate association with Winston ended. I stayed on as Private Secretary at the Treasury for another eighteen months with Philip Snowden — who shared with Winston the first place in my official affections — and I was bound to be an onlooker at their duels in the House of Commons. But the old intimacy could not last and there was an unfortunate incident just after Winston left office, the thought of which still makes me hot all over. In the spring of 1930 he had asked me for certain information relating to his own Chancellorship to which I thought he was doubtfully entitled. I accordingly refused to give it and, I am afraid, did so with unnecessary and reprehensible brusqueness. Winston was more than affronted at my conduct; he was deeply hurt. Accordingly when next I saw him in the precincts of Westminster, he very ostentatiously failed to see me. I had intended to apologize but I became resentful in my turn and it was not for some months that my pride — a false and unworthy pride — would allow me

to make amends. Winston's acknowledgment of my eirenicon is one of my most treasured possessions.

19.5.30.

'My dear P. J.: I am delighted to receive your letter. I expect I was unreasonable and touchy in taking offence. I am sorry. Your friendship is ever of great consequence to me, and my regard for you is deep.

I am above all things careful not to seem to compromise you by intimacy in the necessary and recognized circumstances of our juxtapositions. But I have the warmest feelings of admiration for your gifts and character, and I shall look forward to days when in one way or another we shall be working together again.

Once again thanking you for your letter and with every good wish, Believe me, your sincere friend WINSTON S. CHURCHILL

Coals of fire indeed! I felt thoroughly ashamed of myself and even more so when in August of that year I received a signed copy of *My Early Life*. I thought then, and still think that this is, on the whole, the best thing that Winston has ever written. If the best books – I forget who said it, I think Coleridge – are, not those one reads with most pleasure but those one re-reads with the most pleasure, then assuredly this is an outstandingly good book. I may say that I have since had autographed copies of all his books as they appeared.

V

To end this chapter I set down some recollections of the years 1924 to 1929 which do not attach, or only indirectly attach, to the Chancellor of the Exchequer. In this period there were three Financial Secretaries to the Treasury, Colonel Walter Guinness (later Lord Moyne), Mr. Ronald McNeill (afterwards Lord Cushendun), and Mr. A. M. Samuel (subsequently Lord Mancroft). The first-named was promoted to the Cabinet as Minister of Agriculture in the middle of 1925, and I have always understood that he was about the only man who in peace-time added to his reputation in that most erosive of offices, and

that, despite the fact that he steadily set his face against making promises of either subsidies or protection to the farmers. He possessed great physical and moral courage and in spite of a somewhat astringent exterior, was universally popular with Civil Servants, besides having a wide circle of outside friends. During the second World War he was first assistant to the Minister of State and then Resident Minister in Cairo where he again showed his unique capacity for making people like and trust him. He displayed also his customary bravery, which alas! in the end turned out to be foolhardiness, for he was shot by a couple of those terrorists of the Jewish Underground, who evinced their gratitude for the British stand against the arch-persecutor of their race by a series of senseless outrages against their benefactors. I saw him in Cairo during the war in June 1943 and in July 1944. On the former occasion I dined in his house just as the eastern contingent of the Sicilian expedition was about to set sail. Admiral Ramsay was of the party. He depressed me extremely by reciting all the things which could go wrong. Although I didn't know it then, this was a habit, for I suffered the same experience before the Normandy landings. Few if any of the possible misfortunes occurred in either enterprise: the Admiral was far too careful and competent for that.

Mr. McNeill I never really got to know. I don't think he ever bothered to conceal his dislike and distrust of the whole breed of Civil Servants. He was a passionate Ulster Unionist and he it was who had thrown a book at Mr. Churchill's head during the disorders of the Home Rule debates in the Commons before the first World War. I assumed at the time that Winston's choice of him as his lieutenant at the Treasury arose out of his desire to make his peace with Ulster and the southern Irish loyalists, a desire which, as I have already mentioned, manifested itself in quite a number of financial concessions — some of them expensive.

Mr. Samuel for some reason was not a success. He knew a great deal about small business but not much about high or even Parliamentary finance. About the only incident, with which my memory clearly connects him, occurred during the Finance Bill debates of 1928, when the Chancellor had retired to bed with influenza, leaving the Financial

Secretary in charge. There was nothing very important or exciting in prospect and I had gone home for a leisurely dinner at about 8 o'clock. I came back to the Official Gallery towards 10 to find the House in something like an uproar. One of the clauses related to an excise duty on mechanical lighters, and an amendment had been moved to cut this in half so as to make the corresponding customs duty protective. Mr. Samuel had first refused this in accordance with his brief and then, under pressure from back-bench Tories, accepted it. The Liberals jumped at this chance of making a mountain out of a molehill and moved the adjournment of the debate on the ground that the Government was breaking its election pledges not to introduce Protection by a back door. Snowden and Sir John Simon did their best to make the Financial Secretary's confusion more confounded. For some reason no Cabinet Minister was present and none of the senior Whips. When I arrived the victim had been inveigled to his feet again to explain himself away, but wasn't making much of a success of it. I am afraid I behaved with some indecorum and with insufficient regard to the impassable gulf between the floor of the House and the Official Gallery. In tones more than audible, and possibly with something less than suavity, I advised some of the members standing near to get the old man back into his seat and to send for the Chief Whip. The Chief Whip came and was quickly apprised of the situation. He took the floor at once and said somewhat wryly that perhaps the mice had played long enough. He asked that the amendment should not be pressed, and in return promised that it should be fully debated at a later stage when the Chancellor was restored to health. Snowden readily accepted this suggestion, but said that the situation was really that one of the mice had taken advantage of the absence of the Chancellor of the Exchequer to play at assuming an authority to which he was not entitled. He grimly concluded: 'I do not envy the Honourable Gentleman the Financial Secretary to the Treasury when he next meets the convalescent Chancellor of the Exchequer.'

I come now to the two debates on the Revised Prayer Book. The first of these was by far the finest debate I have ever heard in the House of Commons, and I listened to practically the whole of it from the

Official Gallery. The Church of England, in spite of its Erastian constitution, had been given a certain measure of self-government in 1919, but Parliament had insisted that the Acts of the Church should not become law until they had been approved by formal resolution of both Houses. It is well known that, ever since the Oxford Movement, there had been a great deal of indiscipline mainly from the High Church party. The rubrics of the Prayer Book were widely disregarded, partly because they were quite unsuitable for modern conditions in such matters, for example, as the compulsory reading of the Athanasian creed, but much more because the Anglo-Catholics, or at any rate many of them, believed in the doctrine of the Real Presence in what most people regard as a Romish sense. The powers of discipline of the bishops had been quite inadequate to preserve order even within the wide toleration and comprehension of the Church. The hierarchy evidently felt that they could not decently enforce compliance with the Book of Common Prayer unless there were a revised Book which made allowance for present-day needs as well as for the desires of those who, while being passionately High Church, were in no sense Romanizers. The main respect in which the Romanizers were breaking the law was in reserving the sacrament in a receptacle over the altar with a light burning before it inviting adoration and this, in the eyes of most, was an acceptance of the doctrine of Transubstantiation definitely repudiated at the time of the English Reformation. What the new Prayer Book allowed was reservation of the sacrament, for the sick only, not over the high altar and with no distinguishing light near it. This compromise had been accepted by the overwhelming majority of active members of the Church of England and had been presented to Parliament for ratification. It was hotly opposed by the Evangelicals on the ground that it meant a definite reversion to a Romish doctrine and on the other hand a considerable number of the extreme Anglo-Catholic clergy had publicly announced that they would not conform to the new Order of Service if passed.

The first debate took place on December 15th, 1927. All the political parties were divided among themselves. The key to the verdict clearly lay with the very large number of nonconformists in

the House, and these were especially numerous among the members from Scotland and Wales. The case to be put by the supporters of the measure wasn't an easy one. It had to prove that the changes represented no more than, so to speak, a slight shift in the centre of gravity of the whole doctrinal system of mingled compromise and inclusiveness which was the glory of the Church of England, and for the rest, it was an appeal to Parliament not to nullify in detail the wider autonomy which it had earlier conceded to the Church. On the other hand, the opponents asserted that it wasn't a shift in the centre of gravity but a fundamental change of doctrine, and on the second point they could legitimately contend that if a Church wanted to enjoy the benefits of establishment, it must put up with the drawbacks.

The main speakers for the measure were Mr. Bridgman, the First Lord of the Admiralty, Lord Hugh Cecil, John Buchan (afterwards Lord Tweedsmuir) and Mr. Baldwin. And on the other side, Sir William Joynson-Hicks, the Home Secretary, Sir John Simon, Stephen Walsh, Sir Douglas Hogg and Sir Thomas Inskip, Attorney- and Solicitor-General respectively, and Mr. Rosslyn Mitchell. Anybody can look up the debate in Hansard. Reading it in cold blood now, many years after, I find my mind giving the judgment to the supporters. But I did not at the time. The contemporary impressions left on me are that there was not a bad speech and hardly a mediocre one during the whole day; that many of the speakers reached heights of nobility and sincerity they never attained before or afterwards; that the advocates of the change were not very fortunate in the winding-up speech made on their behalf; that for some reason Lord Hugh Cecil's speech, though admirable in literary and historical content, for once failed of that persuasiveness which was the hall-mark of his Parliamentary style; and above all, that the really deciding factor in the contest was Rosslyn Mitchell, who succeeded in importing into the argument all the 'No Popery' prejudices which had lain dormant for a century and a half. I remember to this day sitting in the Gallery with the smell of the Smithfield and Oxford fires distinctly in my nostrils, and eagerly praying that the House would strike a resounding blow against Rome. Oddly enough, in cold print today, Mr. Mitchell's speech does not seem at

all evocative of bigotry or zeal, and, as I have already said, on the basis of the speeches as they stand in Hansard, I would give the verdict to the other side. The actual vote was 230 to 205, the bulk of the nonconformists being found opposing the wishes of the Church.

The bishops were much upset by this result. Six months later they produced a modified measure embodying a certain number of changes, designed, however, to do no more than remove from these little ones some of the more common and absurd causes of stumbling that the debate had thrown up. Once more there was a very fine discussion, but, not surprisingly, it fell far below the heights of the earlier one. Too many of the speeches were in the nature of legalistic expositions; there were a number of secularist interveners whose pleas and arguments, whatever their intrinsic merits, were bound to be directed to the head rather than the emotions, and so to take a lot of the fire out of the struggle. Winston himself spoke from this point of view. In short, his contention was that there were things in the new book he didn't like and that he had accordingly abstained from voting on the first occasion; that we were witnessing the surprising spectacle of the Church standing at the bar of the House of Commons; that most of us were unqualified to deal with the theological issues involved; that the consequence of a refusal of the Church's demand would be its moral severance from the State; that the bad features of the book did not justify so far-reaching a decision; and that we ought all to work together to preserve those English institutions which had largely formed the nation and which were ancient because they had been flexible. Many of those who had spoken in the first debate repeated their efforts, including the Prime Minister and Rosslyn Mitchell. The latter brought in Naseby and all that, but I thought that this time he missed the mark. Lord Hugh Cecil made another good speech, but again he failed to win over enough nonconformists to carry the measure — indeed the majority against it was bigger than before. As I have twice said, looking back it seems to me now that the House of Commons came to the wrong decision, but I certainly didn't think so then. Perhaps in the interval, like Winston, I have come to appreciate the value of the ancient institutions which are disappearing so

rapidly; perhaps I have merely become older and the fire of life is dying in me; or perhaps it is just that I am astonished to find that so recently large numbers of men still felt keenly about religious questions.

Despite his failure on this particular issue, I would judge Hugh Cecil to be the most effective Parliamentary debater I have known. Of course he lacked the sense of theatre which Winston possessed, and he had none of the mischievous or rollicking humour. Nor did he reach such lofty levels of eloquence. But he did, much more than Winston, devote himself to answering a debate instead of presenting a solo performance of high virtuosity. I once heard him in three minutes completely turn the House of Commons round, and I have never forgotten a brilliant exposition of the Free Trade case which he made late in 1925. He insisted that the controversy in essence was a choice between abundance and restriction, and restriction could never be right. He ended by begging Mr. Baldwin and his Ministers not to get into the bog in which greater men than they had floundered twenty years before, and exhorting the President of the Board of Trade, when next he went to church and heard a dull sermon, to read the prayer against Dearth and Famine. But the speech ought to be read in full. The restrictionists and the planners – for they are all the same – have had their way for a long while now, and the world is come to a pretty pass.

A very vivid recollection of this lustrum is of the Thames Flood of January 1928. We were living in a tall and narrow house in Grosvenor Road with nothing between us and the river but the roadway and a pretty decrepit-looking wall. I was awakened just after midnight on January 6th by a sound of rushing water, and I remember turning over to sleep again cursing the people next door for having baths at so unreasonable an hour. I also remember thinking that the bath must have been very full to take so long to empty. Then I heard one of the maids knocking on our door and saying that water was coming up the steps from the basement to the ground floor. I walked to the window overlooking the street and my first impression was of a solid sheet of water from the wall of our house to the buildings some way back from

the road on the Lambeth shore opposite. I went downstairs, and found that the water had reached the topmost of the basement steps and was beginning to gather on the ground floor. I realized that our beloved dog Bill, who was in the habit of sleeping below stairs had inevitably been drowned. We set to work moving some of the lighter pieces of furniture one floor up, and then turned to take a longer survey of the scene outside. Water was coming over the top of the river wall opposite our windows, but this wasn't sufficient to account for the raging torrent along the street. Moreover, the torrent was some six inches or a foot lower in level than the top of the wall. I didn't spot the explanation at once, but it was clearly that the wall had breached further down the road so that water was crashing through the breaks as well as flooding gently over it where it was still intact. The deluge had hurtled into our area, broken into the basement and filled it in a few seconds. One of the electric light switches had been turned on by the resultant short-circuit and we could see a number of small buns with incongruous placidity sailing out into the open. So much having been observed, there was nothing for it but to go back to bed until the fall of the tide had uncovered the streets. Incidentally, it turned out afterwards that there had been a combination of an abnormally high flood tide against a most unusual flow of water down the river on account of melting snow, and on top of these two, a wind which acted to heap the waters up still further and to increase the pressure on our very frail protective wall. Such a concentration had not happened since the days of Pepys.

At four in the morning the streets were clear. On my way out I met a brisk young clergyman who was going from door to door asking how many were dead in each house. In point of fact, in this particular neighbourhood something like a dozen people had been caught without hope of escape. The wall had collapsed in two places, one in the narrow gut near Lambeth Bridge and one opposite the Tate Gallery. Near the former a stray boat of sorts was lying in the roadway, and on the pavement near the Gallery could be seen a heavy coping stone about 10 or 15 feet long which had been carried the whole width of the street by the first force of the escaping waters. The road

surface was billowing up in many places. After that there was again nothing for it but to go back to bed. The water would not drain away from the basement for hours, and all our means of cooking – gas stove and utensils – had been put out of action, and of course our stock of comestibles had been ruined.

When it was light I sallied out to buy some food for breakfast and then hurried off to the Treasury to ring up Winston at Chartwell to ask if we could shelter in No. 11 for the next 48 hours. He very readily and hospitably consented. Later that day we went back to the house to assess the damage. The destruction below stairs was extensive but spasmodic – for example a kitchen chair had carried away the panelling and part of the frame of a door and hung itself on a gas bracket outside and a mangle had been lifted over a high boundary wall, whereas some eggs and a lot of Wedgwood cups and saucers were unbroken. But, compared with the loss of Bill, none of the damage mattered. He was our first and most successful dog. He originally belonged to my mother-in-law but unfortunately, mixed up with a thousand virtues, he had one vice – that of chasing and killing other people's hens. This vice was very unsuitable to a country rectory, and so Bill came to live with us. He was what the postman called a 'full-grown Yorkie', which meant that he was part Yorkshire terrier and part something bigger and stronger. We had him for about six years in all and he became a very definite and pleasant part of our lives. He was courageous, affectionate and most intelligent. London was cakes and ale to him, and he found his way about the maze of streets in Westminster with complete security and uncanny skill. It was difficult to keep him in the house, and we often found him joining our expeditions after we thought we had safely locked him up in the house – which by then might be a mile away. On one occasion he got separated at Vauxhall Station, and in the search for his owners he made his way along the track until he got to Waterloo, where he was ultimately discovered ensconced in the Lost Property Office. As to his courage, I have seen him go back five or six times to attack an Alsatian who had first insulted and then assaulted him – and this despite the fact that he had been bitten through both ears and both front paws, and was bleed-

ing from the throat. He was in 1928 just beginning to show signs of age, but the flood deprived us of some years of his affectionate companionship.

It was clearly going to take a long time to get the house cleaned and dried and so, after the week-end at 11 Downing Street, we transferred ourselves to New Cross where my wife's uncle, the Bishop of Woolwich, was living, in one of those infinitely long and entirely uniform terraces which so disfigure the suburbs. He was W. W. Hough, who thrice won the Three Miles for Cambridge, and was one of the founders of the Oxford and Cambridge cross-country race. For nearly half a century he had laboured in South London among the poor, and many still living there will agree with me that there never was a more unselfish and more saintly character.

CHAPTER SIX

THE CRISIS OF 1931

THE General Election of 1929 resulted in the return of 285 Labour, 260 Conservative, and 70 Liberal or other members. Mr. Baldwin immediately resigned and Mr. MacDonald, after some not very creditable intrigues among his lieutenants, formed a Labour Government and met the House of Commons on July 2nd. Snowden was again Chancellor of the Exchequer with Mr. Pethick-Lawrence as his Financial Secretary. Arthur Henderson became Foreign Secretary while J. H. Thomas was bold enough to undertake the responsibility for dealing with unemployment, holding for the purpose the normally sinecure office of Lord Privy Seal. To help him in his task he was allotted Sir Oswald Mosley, whose services to Labour the Prime Minister thought sufficient to justify his appointment as Chancellor of the Duchy of Lancaster, and Sir Horace Wilson, who was to be the head of a specially selected body of Civil Servants seconded to Mr. Thomas for this special purpose.

During the election campaign Labour candidates had, in spite of the experiences of 1924, been recklessly free with their promises about unemployment. Six months earlier the figures had taken an alarming kick upwards but by the time the new Government took office they were back to about 1,100,000, not very different from what they had been at the beginning of the previous Government in 1924. But this wasn't nearly good enough and Labour was going to see that something was done about it. The King's Speech did no more than promise to exert the utmost endeavour to deal effectively with this continuing evil, but the electorate had been told quite another story. Never did Nemesis attend more quickly and more cruelly upon Hubris. The drain from Europe caused by the speculative boom in the U.S.A. was in full swing, the bubble burst in the autumn of 1929, and from the moment the new Government took up the task of translating promise into performance, the numbers of those out of work began to go up

by leaps and bounds, until they finally reached a peak of between 2½ and 3 millions in 1931. There is no doubt that unemployment dominated this Parliament and ultimately destroyed it. It did more than that, for it destroyed the Gold Standard too and our century-old Free Trade economy, and consequently introduced us to a strange new world from which most of the old landmarks have disappeared. For this reason it demands a separate section.

Snowden was sixty-five when he became Chancellor for the second time, and I could see that the five years which had passed since I worked for him had aged him. Physically he was not nearly so robust, and eighteen months later he had a serious illness which kept him away from the office for seven weeks. And I thought too that he was finding somewhat greater difficulty in mastering the official briefs on the innumerable complex matters with which a Chancellor of the Exchequer was called upon to deal. As a matter of fact I should never have reckoned him a man of great experience in technical matters, nor one at all highly skilled in mental gymnastics. But a Minister is not supposed to be this. In my view he ought to be a layman, able to form sound, common-sense judgments of general questions and of persons. This assuredly Snowden was and he displayed great tenacity in sticking to his views. In these respects I could discern very little falling off since 1924, nor was there any diminution in courage and resolution or in the determination to devote himself to his duties to the limit of his physical endurance. Nevertheless it became obvious as time went on that he had less reserve of strength than during his first incumbency. And, apart altogether from the effects of years, there was another factor which made his position less outstanding in the Government of 1929 than it had been in that of 1924. On this occasion Labour had come within thirty or so of achieving a clear majority over all parties, they were less dependent on the Liberals, and anyhow the Liberals now wanted them to pursue an adventurous and flamboyant policy and not a safe and reassuring one. In other words Liberal support was dependent, broadly speaking, not upon their orthodoxy and moderation but upon their boldness and even extravagance. Snowden's power of resistance to the more extreme and

spendthrift elements in his own party was therefore weakened and this was to have serious results over the next two years. Finally I thought that this time the Chancellor was more ready than heretofore to have recourse to his unrivalled powers of denunciation and invective, which may not have been altogether a source of strength.

At the beginning of the new Parliament Snowden at once made it clear that there would be no further safeguarding duties and that the existing ones would lapse on their due dates and not be renewed. As regards Imperial Preference, we were anxious to do business with the Dominions but the Chancellor did not believe that trade relations could be placed on their best footing by preferential tariffs, particularly if they involved imposing food taxes. So long as food taxes remained we would preserve the current preferences, but it was hoped that in the end we could abolish all such taxes. About the McKenna and Silk Duties he refused to say what he was going to do in advance of his Budget statement.

Apart from the debate on the Address little happened before the adjournment at the end of July. The decision was taken to slow down new Naval construction; a stopgap Unemployment Insurance Bill was passed increasing the Exchequer contributions to the fund at a cost of 3 or 4 millions a year and Mr. Thomas's firstfruits appeared in the shape of a more generous and more extended Trade Facilities Act and a grant of a million a year to stimulate Colonial development. Already Winston and Lloyd George had begun badgering the Lord Privy Seal for producing such unnovel remedies for Unemployment and for being so markedly behind his Party's electoral promises. For the rest the Government appointed a Royal Commission on the Civil Service and the Chancellor adumbrated a Committee on Banking and Currency, while it was announced that an international conference would shortly be held to consider the report of the Young Committee on German Reparations, which was supposed to provide a final settlement of the problem, and so permit the evacuation of the Rhineland.

In the last days of the Baldwin Government forecasts of the committee's report had appeared in the newspapers. From these it seemed that the committee were contemplating an alteration, to Britain's

detriment, in the percentages agreed upon at Spa in 1920 for the division of the spoils. Parliament had reacted strongly and Winston made it clear that if the stories turned out to be true the report would be unacceptable to His Majesty's Government. Now it appeared that the stories were more or less true. The Young Scheme was much simpler and more definite than the Dawes Plan; it lightened the burdens on Germany, and it produced some sort of connection between Reparations and inter-Allied debts. In fact it was on the whole a very sensible report but it certainly did diminish the United Kingdom share of the reduced annuities. Moreover, in so far as it allowed the Germans to make deliveries in kind to the extent that any creditor power was willing to take them, it was considered to be prejudicial to British export trade.

In broad outline the committee recommended that Germany should pay thirty-seven annuities averaging about £100 millions a year and twenty-one further annual payments dropping from £85 to £45 millions. For these last twenty-one years the annuities were intended to cover only what the various Allied debtors would have to pay their creditors; for the earlier period they were calculated to produce a surplus for Reparations as well. Great Britain was to get no more than sufficient to meet her current payments to the U.S.A. and she was left bearing finally the accumulated adverse balance of £200 millions. This meant that we were in fact getting during the first period about £2⅝ millions a year less than we were entitled to. Of the annuities £33 millions a year were to be paid by Germany unconditionally, while the remainder were called conditional, though they were not formally dependent on favourable transfer conditions or any other circumstances. France was to get £25 millions a year from the unconditional payments, so this device of dividing the annuities into two categories in effect gave the French receipts a higher priority than ours. In the debate on the Adjournment on July 26th Lloyd George attacked the Young Report and pointed out how unfair it was to us. Snowden agreed with him, proclaimed that the limit of our sacrifices had been reached and promised to do his best at the forthcoming conference to secure redress.

The conference took place at the Hague early in August and lasted a month. At the time it attracted a considerable amount of attention and men's emotions in more than one country were strongly aroused. Looking back one is tempted to ask with little Peterkin what all the fuss was about. No doubt it was a famous victory, but it is not clear who profited by it. The month was occupied in getting back 80 per cent of £2½ millions a year of which we had been unfairly deprived. The Foreign Office at the time felt the absurdity of making an international conflict for so trivial a cause, and there is no doubt that the Prime Minister agreed with them. On the other hand Snowden would have taken no instructions to be yielding in this matter. He had made the subject of War Debts one of the two main planks in his election campaign in Colne Valley; he judged that the people of this country were sick of our being the universal payer and very sick of appeasing all and sundry.[1] And in the light of the wildly enthusiastic reception given to him at Liverpool Street in September, which I witnessed with my own eyes, the newspaper comment at the time, and the bestowal of the Freedom of the City of London, he had evidently correctly assessed public opinion.

I do not propose to say much about the Hague Conference; Snowden himself has given a very full account in his *Autobiography*. Briand and Chéron represented the French, Jasper and Hymans the Belgians, Pirelli the Italians. Stresemann was there for Germany, but the hand of death was plainly upon him, and he in fact died a month or so later. To begin with, none of the foreign delegations could believe that Snowden was serious in saying that he would break up the conference if he did not get satisfaction. I have no doubt that some of our diplomatic representatives abroad had conveyed to the Governments to which they were accredited the impression that the old man's fight was a demonstration without very much force, and I am equally sure that the Prime Minister's telegram *en clair* exhorting Snowden to be careful reinforced the feeling that what went on in the first fortnight was only 'pretty Fanny's way'. Within the British delegation the Foreign Secretary always made it obvious that he disapproved of the obstinate stand we were taking. I remember that the three Ministers –

Mr. Graham, President of the Board of Trade, being the third – used to have diminutive Cabinet meetings every day in the presence of Sir Maurice Hankey. Graham always supported the Chancellor for whom he then had a great affection and admiration. One evening, at the height of the deadlock, Henderson said, hoping to make some dint in Snowden's obstinacy: 'Well, Philip! you and Willie seem to pay no regard to my views; I might as well go home.' But he got entirely the wrong reaction. 'That's about it, Arthur!'

I recall another incident of this time of standstill. After one of the more heated meetings of the Heads of Delegation I thought the old man looked very frail and tired, and so I suggested that we should avoid the journalists and others who were hanging about to question him by taking a drive into the country in the official car. This carried a 'Union Jack' in front and after he had settled down Philip stuck out his chin, cocked his bowler hat on one side and said: 'I have been a pacifist, I am an internationalist but, somehow or other, whenever I see that flag in a foreign country, I become incredibly imperialist.'

Although the conference suffered from long periods of frustration the staff was kept very busy. There was no chance to see much of the country. Some of us had an occasional round of golf on the attractive course near Wassenaar; we sometimes wandered away from the garish summer resort of Scheveningen (where we were staying) to the old-fashioned fishing-village beyond it; and we visited the Mauritshuis more than once. I make no pretence of being an authority or even of being well informed on pictures. I am sure that the Mauritshuis is far from being the best collection in the world. But to me it is the most enjoyable I have seen, if only for the very inartistic reason that it is small enough and uniform enough for me to take in as a whole without confusion and weariness. Apart from that, it contains the Vermeer 'Delft'. We made an excursion to Delft and I remember being thrilled at the sight of the hole in the wall made by the pistol shot with which Balthasar Gérard killed William the Silent. Leyden we found charming.

This conference ended after all in amity and jollity and the signature of a protocol. Experts were to meet and reduce the provisions of this document to the proper diplomatic form and the delegates were to

assemble again at the Hague in January. The second conference was very dull after the first. Stresemann was dead and the German representatives were Curtius and Moldenhauer. They irritated Snowden a lot by asking over and over again that Germany should be repaid some of the proceeds of the liquidation of assets sequestrated by us during the war. They got nothing out of it except a demonstration that the famous obstinacy showed neither fear nor favour. Dr. Schacht came too. By this time he had got the idea into his head that fate destined him to be the Chancellor of the Reich with a much less amenable and more nationalist policy than that of Stresemann. Accordingly he found it necessary to make some rather stupid demonstrations of disagreement with his principals. The only other incident I recollect was the appearance on the outskirts of the conference of Mr. Ivar Kreuger. Tardieu wanted to capitalize a part of the French share of the unconditional annuities and he was asking Kreuger's advice on the method of flotation in the various western European markets. In this case it was Hitler who swindled the innocent subscribers, not Kreuger.

It was a famous victory! The Young Plan freed Germany from financial control, and the correlative evacuation of the Rhineland, which was completed on July 30th, 1930, removed the last vestige of military sanctions.

II

Before the House reassembled at the end of October the American crash had come. To protect our position Bank Rate had been advanced to 6½ per cent. The criticism of this in Labour circles brought about an early announcement of the Committee on Banking and Currency. The Chairman was to be Mr. H. P. (afterwards Lord) Macmillan and the terms of reference were:

> To inquire into banking, finance and credit, paying regard to the factors which govern their operation, and to make recommendations calculated to enable these agencies to promote the development of trade and commerce, and the employment of Labour.

Among the members of the committee were Keynes and McKenna, Mr. Ernest Bevin, Lord Bradbury and Mr. Cecil Lubbock (an ex-Deputy Governor of the Bank of England), Mr. R. H. (afterwards Lord) Brand and Professor (afterwards Sir Theodore) Gregory. The remit was wide; the constitution ensured that there would be any amount of learned discussion and of controversy, both learned and unlearned. On both counts no early report was to be looked for.

As soon as the House met bills were introduced to extend the scope of the Widows' Pension Scheme and to liberalize the benefits under Unemployment Insurance. The latter, in addition to conceding slightly greater allowances, relaxed the 'genuinely seeking work' condition and took on to the Treasury the whole cost of continuing benefit to those whose entitlement had run out (transitional benefit). Unemployment was already up by 100,000 or so and if it went on increasing, the charges transferred to the Exchequer would very soon get out of hand. Nevertheless the conditions for benefit were made even laxer as a result of back-bench pressure, and the Government was heavily attacked accordingly for its extravagance. Snowden's answer was that the main demands of the wild men had been rejected anyway and that his predecessor had left our finances in a mess which would take three years to clear up. This accusation was an almost fanciful exaggeration but in any event to make it was to give hostages to fortune. The extra burdens which Snowden would have to meet as a result of the more lavish system of Unemployment Insurance would in course of time far transcend the cost of Winston's policies. Winston was unable to suffer in silence and he raised a cocked-hat debate on finance on the Christmas Adjournment. He referred to the honours which the Hague had brought his successor and complained that these had not mellowed him. A change of treatment was therefore indicated. After defending his own record, he condemned the new expenditure to which we had already been committed, amounting on some calculations to more than £40 millions a year. He deplored the uncertainty created by the pronouncements of the Government in regard to Safeguarding and the lack of them in regard to the McKenna and Silk Duties. It was all heading for a fierce penal addition of

taxation in the next Budget and altogether it was a gloomy prospect for Christmas.

In February unemployment had already passed a million and a half and there were frequent questions and debates on this topic. These I will come to in due course, but in the meantime I mention that the Tories got into the habit of dragging the fiscal issue into the discussions. Keynes was at this time advocating a general revenue tariff of 10 per cent as a panacea for our troubles and this conversion of a dyed-in-the-wool Free Trader gave the Protectionists great encouragement. Moreover they took every opportunity of beating up the Chancellor for allegedly creating uncertainty in the minds of industrialists as to his fiscal intentions. In March the Conservatives moved what was virtually a vote of censure on him, but he in effect answered 'Censure and be damned' and insisted that most of the uncertainty was being created by the ridiculous agitation of the industrialists themselves.

In the middle of April came the Budget. The previous financial year had ended with a deficit of £14½ instead of a surplus of £4 millions. This Snowden, with a characteristic manifestation of Gladstonian purism, proposed to pay off out of revenue over the next three years. The accounts accordingly showed an estimated shortage of £26 millions odd for 1930-31 and probably a larger one for 1931-32. This being so he clearly could not gratify his wish to repeal the McKenna and Silk Duties, though he did wipe out the poor vestiges of the Betting Tax. The situation would be met by a small increase of the duty on beer which was to come entirely out of the brewers' profits; by putting sixpence on to the standard rate of Income Tax, subject to a slight adjustment of the allowances which counteracted the effect for the lower income groups; by steepening the Super Tax scale so that the top slice of income became chargeable at 7s. 6d. in the pound or, taking into account the standard rate, 12s. in all; and by scaling up Death Duties to a maximum of fifty per cent. These alterations would cover the prospective deficit and would provide a cushion for the following year. On top of them the Chancellor foreshadowed that the Finance Bill would contain some drastic provisions against the one-man company device for dodging Super Tax and Death Duties. He

ended his speech by saying that as far as he could see there would be no need for further increases of taxation in 1930-31. Whatever his views about the existing distribution of wealth, the first thing was the restoration of the spirit of confidence and enterprise among those responsible for conducting industry and commerce. They ought to know the probable full extent of their future tax burden for the years immediately ahead. We had been going through difficult times but he had never despaired in the darkest hour. Next year he hoped that he would have a better story to tell.

Winston's comments were fairly moderate. He pointed to his own efforts to avoid reimposing taxation and averred that Snowden could have held his hand if it hadn't been for the extravagant expenditure of the Socialist Government. In any event the money might have been raised by a duty on imports of finished and semi-finished goods. He pictured his successor as a kind of Jekyll and Hyde – on one side a financial purist and pedant, on the other the socialist agitator handing out lush doles with both hands. Then somewhat incongruously he called the attention of the Clyde to the promise of no extra taxation next year. Did they realize that this was what their grandiose plans had come to? For his part he did not believe the Chancellor, for all his courage, would be able to stand there. The noteworthy thing about this speech is the clear indication of Winston's conversion – presumably by the blandishments of Keynes – to the idea of a tariff for revenue. Another of the Free Trade giants had fallen into temptation.

The leftists in the Labour Party were furious about the moderation of the Budget, and especially about the promise for the following year. The rest of the party and the Liberals approved of it. Lloyd George rallied Winston on having walked the plank of Protection and exhorted the Government to be bolder in undertaking development expenditure as a means of creating employment. In his reply to the general debate Snowden again attacked Winston's record and pretty plainly hinted that he had cooked the revenue estimates in his last Budget. From now on Winston laid himself out to obstruct the course of the Finance Bill, raising every conceivable and some inconceivable

points of order. The tax-dodging clauses provided a heaven-sent means of spinning out business and there were several all-night sittings. Winston more than half threatened that, unless 'this Bill of Pains and Penalties' were lightened, it would not be passed into law by the statutory date of August 5th. However, in the end, he got tired of the game and the bill received Royal Assent in due season. Snowden was by turns patient and polite, contemptuous of what he termed the buffoonery of the Opposition, and vitriolic against individuals. But he was determined to get his bill through. He made minor concessions here and there and he resolutely endured all the tedium and the abuse the old Parliamentary hands of the Tory Party could impose upon him — exacting however a fair toll in return for the latter. The Tories produced one trick during the Committee Stage which, if it had succeeded, would have had serious consequences. Lloyd George had for some time been engaged in *pourparlers* with the Government about unemployment and one of the devices he was pressing on it was the exemption from Income Tax of expenditure on new plant and machinery made by public companies out of their reserves. The Liberals had put down two new clauses on the subject, and in the previous discussions Snowden had told Lloyd George that they were both impossibly costly so that he couldn't accept either. He undertook, however, to make a sympathetic reply to the mover of the less expensive of the new clauses, and to end up by promising to consider some more moderate suggestion if it could be produced and was otherwise free from serious objection. When the day came, the wider of the two clauses was moved first. It was supported by the Tories who forced a division, but in the division they mustered less than half their strength in the House and the clause was defeated by over 100 votes. Then the second clause was moved and this too was backed by Winston. Snowden, in pointing out the defects which made it impossible for him to adopt it, was a good deal less than sympathetic; indeed he left it hardly a shred of plausibility. But he did end up by promising to look favourably at any proposal the Liberals could produce which should be free from the objections he had outlined, especially the one of expense. There were a few more speeches and then the division

was called. The Liberals were angry and decided to vote against the Government. Now was the Tories' chance. They suddenly produced a hundred extra members who had been lying doggo in St. Stephen's Club, from which they rushed by way of the underground passage to the Division Lobby. Things were looking serious. A number of the Liberals thought they had better abstain because they didn't want to bring about the fall of the Government, and four of them even decided to vote against their own clause. So in the end the Tory plot failed, but only by two votes.

This was the last exciting incident of the first Budget of Snowden's second Chancellorship. On the Third Reading Winston made an amusingly ironical speech suggesting that Snowden wanted the Finance Bill proceedings to last a long time so as to kill a lot of pending social legislation, for example that for raising the school-leaving age. For this purpose it had been necessary for him to hold in strict control his natural amiability and disguise himself as a spiteful irritated harridan. He congratulated the Chancellor on his impartiality, for he had been just as rude to his supporters as to his opponents. The Dominions when they came for the Imperial Conference in October would get the same honeyed tones as the Allies had received at the Hague. Snowden had said that it would take him three years to get the finances right after Winston's misdoings. One year had gone and we might report progress. And then he painted a harrowing picture of what was indubitably an unpleasant state of affairs, for unemployment was nearing the two million mark. However, there was certainty for two classes. There was no hope for a reduction of Income Tax, and for the unemployed there was nothing but the dole. As for British Industry, it could face the future, if not without anxiety, at least without ill-founded hope. To all of this the Chancellor left his Financial Secretary to reply. I said in an earlier chapter that I thought these noisy, and to appearances bitter, exchanges between my two last chiefs were devoid of real malice. This was based on a distinct recollection of my contemporary impressions. But when I read the debates after nearly twenty years I began to think that I had been quite mistaken. So I looked up the *Autobiography* and was glad to discover that both

participators in these stage battles were quite clear that there was no ill-feeling in them.

Apart from the developing economic crisis the only other event of 1930 I want to deal with is the Imperial Conference held in London towards the close of the year. Undoubtedly the principal actors in this play were the Chancellor of the Exchequer and Mr. R. B. (afterwards Lord) Bennett, the Prime Minister of Canada. The object of the latter was to get specially favourable terms for the entry of Canadian food and raw materials into Britain, but to concede in return nothing which interfered with the intention of Canada to develop her own manufacturing industries. Australia was in the same position. New Zealand wanted a preference for her meat and dairy products and South Africa one for her fruit. It was clear that the Dominions' desires could not be met without taxing staple articles of food, and this was the issue which Mr. Bennett was determined to force. His specific proposal was that Britain should tax foreign wheat and meat and that in return Canada, for example, would increase the duties on foreign manufactures by ten per cent – not of the value of the article, but of the duty. For example an import duty of twenty per cent became not thirty but twenty-two per cent. Obviously this was completely valueless and the British delegates pointed this out. But quite apart from the worthlessness of the Canadian offer, Snowden proclaimed over and over again that in no circumstances would the Government agree to tax food and raw materials for the sake of giving a preference to the Dominions. When Bennett asked for alternative suggestions the Government produced a number of projects such as Import Boards which it had not really thought out and which it could not anyhow have instituted in the absence of a clear Parliamentary majority. The Dominions allowed these to be examined in a leisurely and perfunctory way – having not the slightest intention of being put off the main issue of food taxes. But in the end they became convinced by Snowden's dogged refusals that there was nothing to be hoped for in this direction, though not before the Tories had put down a vote of censure on the Government for their handling of the conference. This was of course heavily defeated. Mr. Thomas was pretty rough about the Bennett proposal

during the debate but all the same there is no doubt that he would have liked to do something for the Dominions, even though it did involve taxing the food of our own people, and there is every likelihood that the Prime Minister felt similarly. They disliked intensely having to go on saying 'No' day after day, and being unable to produce practicable alternative suggestions. To say truth, Snowden was perfectly willing to relieve them of the task of saying 'No', and it sometimes looked as if he took great relish in doing it bluntly, which made the weaker vessels among his colleagues more unhappy still. There is a story that at a certain Court function from which Snowden had been excused because of his physical infirmity, MacDonald and Thomas collected Henderson and Clynes – or Graham, I forget which – for an indignation meeting. Evidently there was some pretty wild talk both during the meeting and afterwards, for Snowden got to hear that the four of them were going to wait on him in deputation and make it plain that unless he showed a more forthcoming disposition to the Dominions his continuation in the Government would be impossible. The deputation came all right and it found Snowden standing in profile to them as they entered, resting on his two sticks and looking even more resolutely Yorkshire than usual. In the event the lions roared as gently as any sucking doves and merely asked Philip if he could not produce something to help in the difficult situation they were in. He did finally promise to stabilize the existing preferences for three years, subject to the right of Parliament to reduce or repeal any of the taxes to which the preferences were related. The Dominions were apparently grateful for this small mercy. It may be wondered what the Commonwealth Ministers thought of Snowden's intransigence. I have at any rate a clear recollection of having seen privately the account of a talk which Bennett had given in confidence after his return to Canada to a responsible United Kingdom journalist. At this length of time I have only a hazy memory of what was in it, but I am certain that Bennett expressed the highest respect and admiration for Snowden and put him far above his colleagues for ability and strength.

By the time the Imperial Conference ended I had ceased to be a private secretary. The Chairmanship of the Board of Customs and

Excise fell vacant and Snowden appointed me to it. A month later the corresponding post at the Inland Revenue unexpectedly became free and I was translated. I had not had time to get fully acquainted with my duties at the Customs but it was already clear that, given a Free Trade Chancellor of the Exchequer, they would be very light and very unexciting. On the other hand it was known that the Inland Revenue would have to produce a scheme for taxing Land Values against the Budget of 1931, and the Chancellor wanted to have somebody at the head of it whom he knew and who knew him and how his mind worked. Hence my translation. I was very glad of the prospect of a busier and more interesting life than at the Customs. And apart from that, the Inland Revenue was known to be the nicest place to work in of all the Government departments. It had a more highly-developed sense of unity, and friendlier relations among all grades, than I have ever known elsewhere. The first two letters of congratulation I received on my promotion were from the two Secretaries of the Board, Gerald Canny and Gordon Spry – apt names, be it noted, for tax-gatherers. They were both senior to me. Neither ever showed the slightest embarrassment at my arrival and with neither did I ever have a harsh word. Gordon is dead, alas! Gerald is still my best friend.

From now on I ceased to occupy a ringside seat at the political spectacle. I continued to have relations with Ministers, but never again were they so intimate and never again was I to know in such full and up-to-date detail the story behind public events. I should perhaps say that, however much I saw of them, I have not attempted to write of any public events in which my political chiefs were not directly concerned. My object is certainly not to write a history of my own times. I have, for example, not mentioned in this period of the second Labour Government the Indian Round Table Conference and Mr. Gandhi's civil disobedience campaign of 1930. Nor have I referred to the abortive attempt at Austro-German Anschluss or to Anglo-Soviet relations. Russia did not for the eyes of a Socialist Government abate their anti-British propaganda one jot, but this was not a matter which worried the Chancellor of the Exchequer or the Treasury as such.

III

I now propose to set out the course of unemployment, and its effects on our finances from the beginning of the second Labour Government to its cessation in August 1931. But first I must try to give an impression of the external situation in which our domestic misfortunes occurred.

I suppose it would be agreed that two of the main features of the world economy for the decade after the war of 1914 to 1918 was the enormous increase in the production of food and raw materials, and the maldistribution of gold. The first meant that, if the economic winds should ever blow roughly, the primary producers would be bound to be in trouble from their prices falling more rapidly than those of manufactured articles. The second displayed itself in the accumulation of forty per cent of the world's monetary gold in the United States, and unfortunately the Federal Reserve authorities had decided to sterilize this gold and prevent it from having its normal effects under the ordinary rules of the International Gold Standard. And further, as there was a Republican Administration, the U.S. was wedded to a high tariff policy. In the autumn of 1927, however, the U.S. monetary authorities decided to go in for cheap money and allowed gold to go freely to Europe and elsewhere. This of course was of considerable assistance to the United Kingdom and 1927–28 was probably the easiest time for us in all the period from the restoration of the Gold Standard in 1925 to its abandonment in 1931. It will be remembered that the Keynes school had proclaimed that we had gone back to gold with an over-valued currency. In France the opposite of this was true, for the *de facto* stabilization of the franc in 1926 at round about 124 to the pound and its *de jure* stabilization in 1928 undoubtedly took place at a level where the franc was under-valued. Moreover the stabilization had occurred after a violent flight from the franc and an even more violent recovery, so that it was accompanied by the accumulation of vast stores of foreign exchange in French ownership, largely in London and New York. And as, in addition, the French currency law did not after 1928 permit of expansion except

against gold, there was bound to be a constant pressure on the Bank of France to sell sterling or dollars and bring the proceeds back in bullion.

The cheap money policy in New York in course of time started an orgy of speculation. Three times in the first half of 1928 the Federal Reserve rate was increased to try to curb it but the authorities were unwilling to lift it above 5 per cent lest they should injure productive industry, and, I suppose, lest they should provide a bad setting for Mr. Hoover at the Presidential election in November. The London rate remained at 4½ per cent. The speculative boom in New York was accompanied by a boom in new construction all over the United States, and business profits bounded up, leading to big rises in the market quotations for common stocks. But however fast profits rose, capital values rose faster. Money was sucked into the speculative maelstrom. The effect of this was not only to put a stop to American investment abroad but to produce a tendency to call in what was already there, and for foreigners to move their own short-term funds in order to share in the bonanza. This meant pressure on all the foreign monetary centres except Paris, and gold resumed its flow westwards across the Atlantic. The movement was accompanied by French realizations of foreign assets and the United Kingdom lost gold to France as well as to the United States.

As we have already seen, the autumn of 1928 produced a spectacular rise in British unemployment, though after Christmas it fell again equally dramatically. London was forced to put up its discount rate from 4½ per cent to 5½ per cent in February 1929, and it is probable that this ought to have been done earlier. Anyhow, in the spring of 1929 we had a situation where, all over the world except France and the United States, credit was being restricted and prices were falling as a consequence of the drain of funds to New York and Paris. The effects of this general credit restriction were worse for debtor than for creditor countries, and worse for primary producers than for highly industrialized communities. In both cases, to pay their adverse balances, they had to force more and more exports at lower prices and in so doing bring about a further fall.

At last New York decided that something had to be done and the discount rate was raised to 6 per cent at the end of August 1929. Less than two months later the bubble burst, and the United States experienced at the same time all the phenomena which normally go with a Stock Exchange crash and an industrial slump. The Bank of England had raised its rate to 6½ per cent on September 26th, but for the rest of 1929 the United Kingdom unemployment figures showed a rise which might turn out to be no more than the normal seasonal increase. Things were different in 1930. There was the greatest difficulty and distress all over the world and unemployment went up by leaps and bounds. Purchasing power fell, schemes of price regulation for primary products broke down and the decline in prices accelerated. In the particular case of wheat there was a complication in the United States. After a series of bumper harvests 1930 brought a drought, and great distress ensued in the wheat-growing States, accompanied by bank failures which by November had spread widely over the rest of the Union. Unemployment had risen to 7½ millions and there were riots in New York.

In the United Kingdom the situation was similar if not so catastrophic. By the end of 1930 unemployment was up to more than 2,600,000 and no amount of Government intervention could get it down from there. We lost gold to France and to Germany but this was recouped by distress shipments from Spain, South America and Australia. If possible these countries were in worse shape than the United States. New Zealand was in parallel case to Australia and her troubles were accentuated by a severe earthquake.

So the situation remained for the first five months of 1931. In America the depression deepened and unemployment continued to rise. At home our misfortune seemed to stabilize itself and unemployment varied only slightly around a mean of 2,650,000. In both countries discount rates were heavily reduced but the troubles were too deep for these normal restoratives to operate quickly. By the end of 1930 New York was at 2 per cent and London at 3½ per cent. In May 1931 the former was down to 1½ per cent and the latter to 2½ per cent.

After this glance at the stricken world, we can go back and look

again at our own Parliamentary scene. I have already described the two Unemployment Insurance Bills in the summer and autumn of 1929 which the Labour Government brought forward on account of its election promises. It will be remembered that the second of these increased benefits slightly relaxed the qualifying conditions, and put on to the Treasury the whole cost of uncovenanted or transitional benefit. It also increased the borrowing powers of the Insurance Fund. Perhaps this particular bill wouldn't have mattered much in prosperous times but in 1930, as the numbers of unemployed rocketed, the cost to the Exchequer increased correspondingly while the deficit on the fund grew at least as quickly. The loosening of conditions inevitably brought abuses in its train, and made it easier for opponents to say that Unemployment Insurance had been demoralized and that it was now nothing better than a dole. Throughout this *annus terribilis* bills were brought in to increase the fund's borrowing powers and to extend the period for which individuals could draw allowances for which they had not contributed, and on each occasion the Tory complaints about the 'dole' became more shrill.

In the face of such an economic catastrophe Mr. Thomas, even with the help of Sir Oswald Mosley and Mr. Lansbury, could do very little to counteract the rising tide of unemployment. Despite their promises at the election, Mr. Thomas had adopted, no doubt under suasion from Snowden, the principle that all his relief schemes must be economically sound and that there would be no spending for spending's sake. Lloyd George didn't approve of this at all. He had drawn up, under the influence of Keynes, a grandiose scheme of public works on borrowed money as a cure for unemployment against which he weighed, and continued to weigh, the Government's performance. The Clydeside under Mr. Wheatley also belaboured the Government for timidity and complained that the amelioration of insurance still left the payments under it far below the standards promised at the hustings – in fact that the Government were falling down under both heads of its 'work or maintenance' policy.

The year 1930 was one long series of unemployment debates. The Tories were continually quoting with gusto the unfulfilled election

pledges and condemning the Government for sabotaging the insurance scheme. They also complained about the Government's not adopting their pet remedy of Protection – especially now that Keynes was in favour of it – and, what was worse, the few poor protective duties which already existed were being repealed. Lloyd George went on contrasting the Government's miserable performance both with its own promises and his plans, and exhorted it not to be afraid of the money barons of the City or by implication of its own Chancellor of the Exchequer. However, in this matter the Chancellor of the Exchequer remained in full control to the great discontent of the Clyde, and also in the course of a few months of Sir Oswald Mosley as well. The latter had in conjunction with Mr. Lansbury, produced a scheme for putting 750,000 extra persons to work at the cost of no more that £10 million a year! It was a combination of taking people off the labour market by pensioning them at 60 and by raising the school-leaving age, with £200 millions worth of schemes to be paid for out of loans *à la* Lloyd George. A third feature was a system of monopoly Import Boards. Mosley allowed his disapproval of J. H. Thomas and Snowden to become public property and tried to work up the Labour Party against them. When he failed to dislodge or even move them he resigned in May 1930, and in course of time formed a new party of his own. Lloyd George of course liked the public works part of the Mosley plan but distrusted the rest. Winston hoped that neither the Tories nor the Government would be stampeded by this partial conjunction of the Lloyd George and Mosley planets. In mock solemnity he warned the Government against asking Lloyd George to take charge of the Labour Party. On expenditure he agreed with Thomas, but thought that a revenue tariff on manufactures should be imposed and the proceeds spent on reducing transportation costs. He deprecated the feeling of insecurity produced, as he thought, by Snowden's 1930 Budget, and the confusion and anxiety caused by the two voices of the Government – one a shout to the mob that they would pull down the structures of capitalism and the other a whisper to the bankers that they would make them stronger.

A month after Mosley's departure there was another debate, in the

course of which the Prime Minister disclosed that he had invited Mr. Baldwin and Lloyd George to take part in a 'pooling of ideas', and appealed to the House to turn itself into a Council of State. The Tory leader refused to do any pooling, on the ground that Protection as a possible remedy was ruled out from consideration, but Lloyd George accepted eagerly enough and presumably pressed his simples to the utmost. But all three parties agreed to join in a committee to examine the financial state of the Unemployment Insurance Fund.

When the House met in October 1930, unemployment was well over two millions, the King's Speech expressed grave concern but foreshadowed no positive measures except the setting up of a Royal Commission on the Unemployment Fund and especially on the alleged abuses in its administration. The old pattern was repeated, the Tories complained that there was no Protection, the left wing that there was no socialism, and Lloyd George that there was no spectacular loan expenditure. And so it went on, accompanied by increasing disquiet about the growing habit of scrounging on the Insurance Fund.

At the turn of the year we have seen that unemployment was over 2,600,000 and that the French were thinking it prudent to turn a considerable slice of their sterling assets into gold. The Insurance Fund was £70 millions in debt and, in spite of the fact that the Exchequer had taken over transitional benefit at the cost of £30 millions a year, it was running further into debt at the rate of £40 millions a year. The official Treasury in its evidence to the Royal Commission associated the French withdrawals with the state of the fund, and said that the situation must be remedied if we were to retain the confidence of foreigners in our financial stability. The Government Actuary also pointed out that benefit was becoming, if not a dole, at any rate a pension. The sensitive state of public feeling was shown by the fact that a rumour that the Government was about to float a large development loan caused an appreciable fall in the funds, and Snowden had hastily to announce that he had no idea of going in for a spectacular loan for this purpose.

Then the Tories varied their bowling by putting down a vote of

censure on the Government's extravagance. The Liberals, who had been having it both ways by preaching retrenchment, and advocating spending to cure unemployment at the same time, found it expedient to move for a Select Committee to effect reductions of expenditure. Snowden made a ferocious debating speech opposing the Tory motion, he then somewhat contemptuously accepted the Liberal amendment and ended up on a note completely in contrast with the rest of his speech:

> Let me say with all the seriousness I can command that the national position is so grave that drastic and disagreeable measures will have to be taken – Schemes involving heavy expenditure will have to wait till prosperity returns. I have worked for the toiling millions for 40 years. If I ask for some temporary suspension, some temporary sacrifice, it is because I believe it necessary to make future progress possible – The House of Commons must realize the gravity of the position. Instead of party bickering, which we can resume later, we must unite in a common effort to take effective measures to overcome our temporary difficulties and to restore our former prosperity.

The avowed Socialists hated this; the Liberals the very next day moved a motion endorsing in detail the Lloyd George plan, which the Government accepted on the understanding that the plan would be applied on Snowdenian principles! Winston, who had by this time formally severed himself from the Tory Shadow Cabinet on account of India, spoke as a free lance condemning Lloyd George's importunities and saying that he was sure there were forces in the country who would rally, even at the detriment of party advantage, to support a Chancellor of the Exchequer in doing his duty in the terrible circumstances of the time.

The new Economy Committee was set up on March 17th under the chairmanship of Sir George May, but by this time the Chancellor of the Exchequer was absent through a serious illness, involving an operation, from which he did not reappear until his Budget speech on April 27th. The provisions of this to some extent deflected attention from the evils of unemployment and the mounting financial crisis all

over the world. Perhaps it is fitting then to turn aside to look at the first Budget of 1931 before following the crisis to its climax.

IV

Having ceased to be a private secretary, I was no longer concerned with the Budget as a whole though I was connected intimately with the most flamboyant feature of it, namely the scheme for the taxation of Land Values. Those who have been born since the turn of the century have perhaps never known how important an element in the old radicalism this matter was. I suppose it derived from a mixture of Henry George and the feudal conception that the land belonged to the Sovereign, who granted the use and enjoyment of it to his subjects in return for the obligation of service. Then a different idea made its appearance, taking shape in the claim that the owner of undeveloped land had no right to that increase in the value of his property which was entirely due to the work or expenditure, or even the presence, of the community. There was often a great deal of confusion of these two ideas in the minds of the advocates of taxing land.

The possibility of using this fiscal instrument was never very far from the Chancellor's mind. Even in his short period of office in 1924 he had proposed to take one preliminary step, and in 1930 he had made some of the motions of introducing a bill for the valuation of land, this being of course a necessary preliminary for taxing it. The plan had lapsed with the prorogation in July 1930, but the King's Speech of October had promised a 'Bill for securing to the community its share in the site value of land'. To produce a scheme for this purpose was accordingly my first assignment when I went to the Inland Revenue as chairman in the middle of December. In preparing the bill we were to work under the immediate direction of Sir Stafford Cripps, the Solicitor-General, who had acquired in the course of his work at the bar a deep knowledge and experience of conveyancing law. The Chancellor had already decided that the tax should be annual and not one on increment value. In this I think he was influenced by the views of an organization which existed to propagate the principles of Henry

George. He certainly was very conscious of the failure of Lloyd George's Increment Value Duty of 1909. This impost had brought into the Exchequer far less than it cost to assess and collect, and it had been repealed shortly after the end of the first World War. It was an odd fate for a tax which had caused the largest Budget crisis in history, had entailed two General Elections, and had brought about such a diminution of the powers of the House of Lords as to effect a permanent shift of influence to the Commons. The sole remnant of all this was a very efficient and up-to-date Valuation Department at Somerset House. The fundamental cause of the failure of the Increment Value Duty was that landowners challenged in the courts practically every provision of the law relating to the basis of valuation and that, after the law had been thus 'interpreted' in detail, it had become quite unworkable. It was clear to us from the outset therefore that we should have to go for a basis of valuation which was simple and practicable and not pay too much attention to the canons of logic and abstract justice. Sir Stafford Cripps fully concurred with us. I may say that the Solicitor-General was easy and pleasant to work with. He was very learned in the law, quick to understand and decide, had a clear conception of administrative possibilities and recognized that to get the scheme through the House of Commons meant placating the Liberals, who of course had a lot of preconceived notions about taxing Land Values. For most of the time of preparation the Chancellor of the Exchequer was ill, and we had therefore to work very much without him. We did go down to his house at Tilford during his convalescence now and again to consult him, but by and large the plan was the production of Sir Stafford Cripps and the officials of the Inland Revenue. Let me hasten to say that my personal contribution in these matters was very small. I could claim to know Snowden's mind and I had watched the House of Commons for ten years from the Official Gallery, so perhaps I could help over the personal and political imponderabilia. Nevertheless all the knowledge and experience had to be provided by others, Sir Stafford first and foremost and then Gerald Canny and Mr. (later Sir) Harriss Firth, the Chief Valuer.

What we produced can conveniently be left to fall into its place in

the general Budget set-up. On the face of it things did not look as bad as might have been expected from the gravity of the Chancellor's warning about excessive expenditure in the previous February. He explained how the year 1930-31 had ended in a deficit of more than £23 millions, the deterioration being due almost equally to extra expenditure and a falling off of revenue. Notwithstanding the nominal shortfall, we had paid off £43½ millions of debt out of revenue and a further £9 millions out of a non-recurring windfall. No other country could show anything like as good a record. For the current year the Chancellor was budgeting in the hope that the depression had reached its limits, but even so he expected a deficit of £37½ millions, of which £30 millions was due to the transfer of the cost of transitional Unemployment Benefit to the Exchequer. To cover this he resorted to the temporary expedients which he had so condemned when adopted by his predecessor. To begin with, his virtue this year stopped short of carrying forward last year's shortfall as a charge against revenue, and he vehemently rejected the idea of raising money and prices by a revenue tariff, in the advocacy of which Stamp had now joined Keynes. What he did was to take £20 millions non-recurring from one of the nest-eggs overlooked by Winston; to alter the instalments of Income Tax under the schedules not touched by his predecessor, so getting an extra £10 millions into the year in which the change took place; and to put up the tax on petrol from fourpence to sixpence a gallon. No wonder that Winston was able to say 'Mr. Burke has said ditto to me!'

These devices enabled the Budget to be balanced with a margin of no more than £100,000 to spare. Any extra expenditure during the year would therefore have to be met by savings elsewhere. We had passed through a desperately bad year without too great a strain, but all the same the position was still grave and next year threatened many serious problems. If the depression did not lift there would have to be either a reduction of expenditure or an increase of taxation. In this connection the House would have to take carefully into consideration the report of the May Committee on Economy when it came. The pessimists would say that we had only postponed the reckoning. But that was

something, for there were recuperative forces at work. If we economized, and there were some trade improvement, next year's Budget need not be unduly alarming. Failing this there would have to be heavy additions to taxes.

Snowden, by way of postscript to this speech, announced his intention of taxing land values but left the detailed exposition of his plans in this respect till a few days later.

In the debates which followed Neville Chamberlain was first string for the Tories instead of Winston. There were many kind remarks about Snowden's recovery and the early speeches were moderately couched. Everybody was relieved that things were no worse but wondered why he had been so gloomy in February. The more observant of them recognized that nothing had been done to restore the Unemployment Insurance Fund to health. Mr. Chamberlain deplored the Chancellor's foisting on the country all the machinery of valuing and taxing land at a time when we ought to be concentrating on trade recovery. He also prophesied – rightly as it was to turn out – that Snowden would be the last Chancellor to introduce a Free Trade Budget.

Winston made a rollicking speech showing how fully time's whirligig had brought in its revenges, and in the course of it he heaped up a series of metaphors to illustrate Snowden's unhappy position including:

> We have all heard of how Dr. Guillotine was executed by the instrument that he invented.

Upon this Sir Herbert Samuel interjected from the Liberal benches:

> He was not!

only to get

> Well he ought to have been.

I met Samuel, then a Lord, in Calcutta seven years later and as he thought fit to make some derogatory remarks about Churchill as Chancellor I reminded him of this occasion. Characteristically he

insisted that he had been correct in his facts and added circumstantially that Dr. Guillotine had died of dropsy in 1832!

But this is a digression.

Winston also included in his speech the guess that the Land Taxes had been introduced as a means of arrangement and negotiation with the Liberals and in the vain hope of satisfying the Clyde. He could not resist pointing out how dead 'Socialism in our time' was, and jeering at the Clyde accordingly. But he ended on a serious note of commendation of Snowden for doing his duty in a situation of unprecedented anxiety, and asserted his faith that we should recover and that unity and design would emerge from confusion and futility.

On May 4th the Chancellor disclosed his Land Taxation project. He started somewhat truculently by saying that the Government meant to see this measure through and proclaiming that by it we asserted the right of the community to the ownership of land. If private individuals continued to possess a nominal claim to the land, they must pay a rent to the community for the enjoyment of it. So far so good. This was entirely in keeping with an annual tax and with the pure milk of the Henry Georgian gospel, but it was not in accordance with the Lloyd Georgian precedent. I am afraid, however, that most of the polemics in the speech would have better fitted an Increment Value Duty.

The full scheme involved valuations of all the separate hereditaments in the country with a view to arriving at an assessment of 'land value', which in short was the difference between the value of a site on the assumption that none of its buildings or works of improvement existed while the surrounding sites were in their actual improved state, and the corresponding value of the site with the additional assumption that it was permanently restricted to agricultural use. On land value as so determined a tax of one penny in the pound was to be levied from the year 1933-34 onwards.

It would be wearisome to go into the details of this project, particularly as neither valuation nor tax ever became operative. It will be sufficient to say that its framers had introduced every conceivable simplification even at the expense of logic; that it still was hideously complicated and offered such opportunities for amendment that a guillotine

resolution had to be introduced in order to ensure the passage of the Finance Bill within the statutory period; that it led to a battle with Lloyd George who had begun by blessing but remained to curse; that it was instrumental in bringing to a final breach the disagreements between the Liberals who followed Lloyd George and those who adhered to Sir John Simon; and lastly that it did not placate the Clyde.

I cannot now say whether Snowden had designed this plan as a springe to catch the Liberal woodcock and a *poire d'angoisse* to keep the left wing quiet. If he did, it had a very minor success in both objects. What is certain is, that for the rest of the Finance Bill debates, nothing else attracted more than spasmodic attention. The more responsible Tories from time to time made references to the bankruptcy of the Unemployment Fund and the followers of Mr. Maxton — Wheatley having died in the meantime — thought it all a pretty poor attempt at socialism. But Land Values occupied most of the stage for nearly all the time. The Chancellor took little part in the actual debates, though he was on the Front Bench throughout to direct strategy. Mr. William Graham and Mr. Pethick-Lawrence helped a lot, but by far the heaviest burden fell on the Solicitor-General and by universal agreement Sir Stafford's performance for sustained excellence was admirable beyond anything that had been witnessed in the Commons for many years. Besides being tireless and learned and persuasive, he was moderate and flexible and indeed Snowden in his *Autobiography* remarks on the contrast between his willingness to go half way to meet the Liberals and the starkness and sea-green incorruptibility which he acquired later.

During the course of the bill a radical alteration in the form of the tax was made. The prime cause of this was a somewhat tardy recognition by Lloyd George, impelled largely by the proddings of Sir John Simon, that the bill involved double taxation, or in other words that it rested not on the Liberal principle of taking to the State part of that element of the land which was solely the creation of the community but on the Socialist tenet that the land belonged to the State. Under the latter the nominal owner was to pay the annual due to the State as well as tax on the income value of the property under

Schedule A. The Liberals therefore demanded that for taxation purposes there should be deductions from 'Land Value' on account of the assessment for Schedule A. Snowden resisted but in the end he was forced to surrender, mainly because his colleagues were stampeded by the mingled threats and blandishments of Lloyd George. Apart from this change the bill, for all the attacks on it, emerged without alteration of principle. Whether it was worth all the trouble it had involved can be judged from the fact that, under the reign of Mr. Chamberlain at the Treasury the valuation was suspended in 1932, while in 1934, a year or so after Snowden had left the Government, the whole scheme was repealed lock, stock and barrel. But for three months in 1931 it did deflect men's minds from unbalanced Budgets and the evils of the dole.

V

Having disposed of the Budget and its land taxes, I return to the crisis of 1931, though I must repeat that I had already begun to view events from a much more detached position than when I was a private secretary.

The first crucial date was the failure of the Credit Anstalt on May 11th, 1931, after a run on the Austrian banks. From that moment the crisis took on a financial even more than an economic significance. By the end of the month the run had spread to Germany and a fortnight later the Brüning Government was ruthlessly taking protective measures, while President Hindenburg telegraphed to President Hoover telling him of Germany's parlous condition. The latter thereupon made his famous pronouncement of June 20th, adumbrating a one-year postponement of all payments, whether of principal or interest, on account of intergovernmental debts. Germany hailed this proposal with relief and gratitude, the United Kingdom immediately endorsed it though it meant some worsening of her Budget position, but the French received it with suspicion, and even a sense of injury that they hadn't been consulted in advance. The first effect of the Hoover announcement had been a substantial recovery in confidence, but the

French reception of it brought about a psychological relapse and, even before the end of the ten days which it took the French to approve it in principle, the run on the Reichsbank started again. Very soon the Darmstadter and other important banks failed and Dr. Brüning was forced to further emergency measures. There followed an international meeting in London which agreed on the Stillhalte arrangement not to call in advances to Germany. There was no such consideration for Britain, and the French began withdrawing gold from London rapidly so that Bank Rate had to be twice raised in the last third of July.

Here it is necessary to go back a little to bring domestic events up to date. Early in June the Royal Commission on Unemployment Insurance had presented an Interim Report dealing with what was immediately necessary to put the fund straight. It proposed reductions and limitations of benefit, an increase in contributions, the tightening up of qualifying conditions and the removal of certain expensive anomalies. The Government refused to take this fence and, when towards the end of June they brought in a bill to increase the borrowing powers of the fund (this time from £90 to £115 millions), they made public their refusal to accept any of the recommendations – except in a half-hearted way some of those relating to anomalies – until the Commission had submitted its final report. The Tories were very perturbed at this feebleness and expressed their perturbation in tones of solemn warning, harping particularly on the repercussions abroad. Winston added his voice. He was more than scornful of a Government which refused to do its duty but insisted on turning the dole into a vested interest for reasons of party advantage.

On July 9th the report of the Macmillan Committee was published. It consisted of a long and, from its very nature, wishy-washy report which tended slightly in the Keynes direction. At the same time there were a number of addenda with variations on or divergencies from the central theme, the most important of these being that signed by Keynes, McKenna, Ernest Bevin and others, advocating the whole paraphernalia of public works plus tariffs or devaluation, according to the varying taste of the signatories. The main report had rejected devaluation, but said some things about it which in the circumstances of the time were

more than a little inexpedient. Bradbury made in effect a separate report saying that the rest of the committee were talking something like nonsense, that their remedies, which they refused to define except in the broadest and vaguest terms, were quite impracticable in the world as it existed, and that they anyhow ignored the fundamental causes of our troubles, one of which was the fact that ever since the war all classes had been trying to preserve a higher standard of living than was justified by the economic situation.

By this time alarmist forecasts of the contents of the report of the May Committee were circulating and this also weakened our power of resistance to French pressure. Snowden actually received the report on July 24th and promised the House that they should have it before members separated for the summer recess. A day before the publication Neville Chamberlain, after consultation with the Chancellor, opened a debate on the financial situation. His speech was a sober and uncontroversial examination of our position, but it ended with the assertion that the time for vigorous and courageous action had come. Snowden was grateful for the restraint, warned the House that the position was very serious indeed, and that it was essential to the maintenance of our credit that the Budget should be balanced. The House must face this necessity. He himself would do his utmost to meet it, however disagreeable the consequences. There had been an unparalleled withdrawal of gold in the last two or three weeks. The May Report would appear tomorrow and the House of Commons would have a special responsibility for dealing with it. The Government would enter upon a study of it at once, and submit their recommendations for action when the House met in October. He disclosed that he had been working on a scheme for converting the £2000 millions of the 5 per cent War Loan to a much lower rate of interest, but that the times had become unpropitious for dealing with it. Both he and the Government generally would take every possible step to see that the position of the country was not impaired.

The May Report was undoubtedly an alarmist document – in fact, being wise after the event, one can now say unnecessarily so. It started from an assumed deficit for 1931-32 of £120 millions and to

arrive at this figure it had been necessary to include on the liability side not only the £30 millions of transitional benefit, but in addition the rest of the uncovered outlay of the Unemployment Insurance Fund amounting to £40 or £45 millions. And, further, the ordinary Sinking Fund provision of £50 millions or so was retained. No doubt it was prudent, in order to convince the owners of the large foreign deposits in London, to proceed on the basis of the strictest Gladstonian orthodoxy, but this was to apply a standard which no other country in the world was willing or able to adopt. To meet this putative deficit of £120 millions the majority of the May Committee agreed on recommending savings amounting to £96 millions, leaving £24 millions to be met in due course by increased taxation. The main constituents of the £96 millions were Unemployment Insurance £66½, Education £13½, the Road Fund £8 and the Pay of the Services £2 millions. The first item involved a reduction of 20 per cent in benefits plus enhanced contributions, while the second was to be effected predominantly by a cut of 20 per cent in the salaries of the teachers. There were two Labour representatives on the committee who objected to pretty well everything their colleagues proposed, but they did indicate that they wouldn't mind cutting the teachers by 12½ per cent.

It will be remembered that even before the May Report was published an unprecedented run on London had started on mere rumours of its contents, and that Bank Rate had been raised twice in a week. On August 1st the Bank of England announced that they had secured two credits of £25 millions each from the Federal Reserve Bank of New York and the Bank of France, and that the Treasury had approved a temporary increase of £15 millions in the fiduciary note issue. For a week the drain ceased, but it then began again and by August 23rd the foreign credits had been almost exhausted. Meanwhile the Labour Government had been considering what to do about the May Report, and the fact that Ministers could not agree among themselves was heavily publicized. Many people have disclosed what happened from here onwards and their testimony is by no means unanimous. It is certain that the leaders of other parties were consulted as well as the Trade Union Congress. The Cabinet as a whole was willing to accept

a fair number of the May recommendations, but the area of agreement did not include the reduction in amount and limitation in period of Unemployment Benefit. The Prime Minister, Snowden and some others did not regard what the Cabinet were prepared to do as being sufficient to create the right impression abroad or to enable the necessary further credits to be raised. The Opposition leaders too thought the measures inadequate to the seriousness of the situation. The Trade Union Congress in its wisdom opposed, practically *in toto*, even what the Government were agreed upon accepting.

'At this time the Bank of England were trying to raise further credits in New York and Paris, and it became increasingly clear that no money would be forthcoming on any programme that the Labour Cabinet was willing to sponsor. In the end Mr. MacDonald resigned, but undertook on the same day to form a National Government with the sole mandate of saving the pound. No more than a handful of his own party were prepared to serve with him, and so when Parliament was summoned more than 250 Labour members formed the Opposition against a Government of Liberals and Tories led by MacDonald and Snowden.

The drain from London diminished but did not cease, and on August 28th the Government announced that it had secured two further credits in New York and Paris, this time of £40 millions each.

The second Budget of 1931 was introduced on September 10th providing for £80 millions of new taxation of which more than two-thirds came from direct imposts administered by the Inland Revenue. The next day there appeared an Economy Bill designed to effect savings of about £70 millions a year. By all the laws the strain on London should now have been relieved and so it was momentarily. But within a few days there were further bankruptcies in Germany, leading to pressure on Amsterdam and this was transmitted from Amsterdam, to London. At the same time there occurred something which foreigners took to be a mutiny in the Navy on account of the proposed cuts in the sailors' pay and this caused a minor financial panic which rapidly issued in the exhaustion of our foreign credits. In the circumstances which then prevailed, New York and Paris felt unable to

furnish additional assistance and so finally on September 21st the United Kingdom suspended gold payments and abandoned the Gold Standard, as it now appears for ever.

If, as I believe, our departure from the Gold Standard heralded the beginning of our repellent modern world, it may be worth while to stop and examine its causes. It certainly wasn't brought about by 'a bankers' ramp'. The financial panics all over the world and the withdrawals from London were very real facts, and all that the bankers did was, on request, to find out from foreign centres whether certain specified domestic measures would suffice to give those abroad enough confidence in our future to lend us money to offset the withdrawals. It is possible, and Snowden hints as much, that there may have been a long-conceived plan on the part of Ramsay MacDonald to escape to the serener air of a National or Coalition Government, and Snowden clearly held that later on, after the formation of such a Government and the subsequent election, the Tories designedly abused their dominant position in it. To both of these the word 'ramp' may perhaps be applied within the ordinary usages of political warfare. The same may be said of the scare started in the General Election about using Post Office Savings Bank money to pay the dole, but this contained a higher proportion of truth than a great many of the Socialist election promises before and since. It is an explanation much more probable than the existence of any ramp, that the root cause was the prevalence throughout Labour circles of the basic doctrine, which has reached its finest flower today, that the way to social justice and prosperity is to take all you can from the rich and enterprising and give it to the weekly wage-earner, or the unemployed. Personally I regard Keynes as having made a material contribution to the establishment of this doctrine, which is indeed only carrying to extremes some of the principles set out in the last chapter of his *Treatise on Money*. What is more, I could never see in any of the varying remedies which he produced in bewildering succession – devaluation, tariffs, public works – anything but different manifestations of a thesis that nations, unlike private individuals, can live so as both to have their cake and eat it. In fact all his cures for unemployment involved manipulations to alter our terms of trade, or

in other words they involved our having to make and export more of domestic goods for every ton of food and raw materials we had to import from abroad. Incidentally it is now in 1947 becoming clear that we have eaten our cake and also that the Keynesian technique of 'full employment' by no means necessarily ensures 'maximum production'.

Be all this as it may, the more unthinking of his followers threw their hats in the air when we were forced off the Gold Standard, and proclaimed that now we should be free for ever from the consequences of the hideous mistake of 1925. I still don't believe that 1925 was a mistake. To my mind 1931 was a disaster and I have wondered many times since whether it could have been avoided. It is easy to be wise after the event, but between 1925 and 1931 neither the United States nor the United Kingdom worked the Gold Standard as it was meant to be worked. For example, the former for years sterilized a large part of their imports of bullion, and even in England we more than once accompanied a rise in Bank Rate with open-market operations which to some extent counteracted the effects the higher rate was intended to produce. It is true also that in both countries enhanced discount rates sometimes came too long after the phenomena which made them advisable, notably in the year 1929. I do not believe in the theory that both countries had been over-indulging in foreign lending. There is no statistical evidence to support this view, and in the ordinary way the foreign lending would have represented a praiseworthy effort to promote the restoration of Europe to health. It is to be noticed that right up to 1930 our own country had a surplus on her balance of payments and that we then had accumulated overseas investments of well over £3000 millions. It was not till 1931 that we had an adverse balance on current account. Of course in addition to long-term investment abroad, there was a whole network of short-term lending, some of it to, some of it by, this country. And when troubles came the tendency was for others to pull in their short-term money while we, as befitted the financial centre of the universe, did our utmost to leave ours abroad. Perhaps these pulls, in the circumstances created by the insane United States speculation, were anyhow irresistible and perhaps

no remedial measures could have saved us. Nevertheless I still wonder what would have happened if Montagu Norman had not been absent abroad on account of illness or if the stout-hearted and resourceful Niemeyer had still been at the Treasury. It is as well, too, to remember that, at the crucial period, Snowden also was in bad health and it is possible to argue that this was the reason why, after his grave warning in February, he left the restoration of our own finances till the late summer and autumn. After the formation of the National Government many people, including Winston, asked the reason for this long delay. Snowden's answer was that his statement of February had been very ill-received by his own party, that it was clear that they could not be got to agree to the necessary measures until the full gravity of the situation was brought home to them. He evidently calculated that this would be achieved by the May Report when it came and that he would be able to spend the autumn in getting things straight. Moreover he knew and could not help knowing that our Budget was a good deal sounder than that of nearly everybody else. It was not possible to foresee in April the devastating sequence of events which would be started by the failure of the Credit Anstalt in May. Indeed the real run on London did not begin till the middle of July. It is unlikely that this had anything to do with the Macmillan Report, unwise as some of its contents may have been. It is certain that the alarmist forecasts of the contents of the May Report, plus a good deal of crying of stinking fish in the newspapers, did – in the existing panicky state of the world – contribute largely to frighten those foreigners and foreign banks who had large sums in London. And the actuality of the May Report, to say the least, did nothing to reassure them. Nor did the knowledge that the Labour Cabinet was divided on the question of applying the May recommendations, and that the Trades Union Congress thought that there was no crisis that couldn't be adjusted by suspending the Sinking Fund, and socking the rich a bit more. However, things steadied down after the formation of the National Government and it began to look as if, after all, Snowden had not miscalculated. But the position of the National Government was not too strong. Practically the whole of the Labour Party had gone into opposition

and were condemning the Government's measures root and branch, to the accompaniment of many irresponsible utterances both in and out of Parliament. Nor were Keynes's articles in the Press at all helpful. These roundly castigated the Economy Bill and asserted that it would add 400,000 to the number of the unemployed. The last straw was the Invergordon incident, which was grossly exaggerated abroad. The twin pillars of the British covenant were the Bank of England and the Royal Navy. The first had been showing signs of strain for some time and now the second was turning out to be unreliable. So it was argued and the inevitable conclusion was drawn that there was nothing for it but to get out from under.

Anyhow, the Gold Standard is dead, but its demise did not produce such a brave new world after all. We did not slip off quietly and devalue by a mere ten per cent. By the end of the year the pound had fallen by nearly a third. Twenty other nations followed our example. That autumn saw the beginning of a nearly universal tariff war. World prices continued to drop and import quotas succeeded tariffs. Unemployment dropped a little at first but rose to higher levels than ever before in 1932. Our adverse balance of payments continued and altogether the position of the world was worse at the end of 1932 than it had been at the end of 1931. Less than two years after we had left gold, Hitler came into power in Germany and from then on we moved inexorably into a second and even more terrible World War. At the end of it all we could see that the two great stabilizing forces of the nineteenth century had lost their influence – the British Navy and the International Gold Standard worked by and through the Bank of England and the City of London. We are now adrift in a universe with no fixed criteria and no automatic indicators or regulators. In the effort to supply out of our brains something as good as or better than the old mechanism, which in fact worked better than most people are prepared to admit, fallible mortals plan more and more; they are driven to coerce more and more; and at present I see no sign that all this planning is leading to Elysium. To me there is something ironical but pathetic in the thought of Keynes at Bretton Woods taking a leading part in producing a scheme for getting as near as he dared to an

International Gold Standard, and later, in the House of Lords, pressing it on a more than slightly sceptical country. And I cannot but remark on his last article in the *Economic Journal* in which he seems to be confessing that his followers, in rejecting so much of the doctrine of the classical economists, had 'thrown away the baby with the bath water'.

VI

As Chairman of the Board of Inland Revenue I had a fair amount to do with the second Budget of 1931. Its main features were increases in the standard rate of Income Tax and in Super Tax, and reductions in the personal and other allowances. In the ordinary way the great bulk of the process of assessing income and calculating tax liability is already completed by the middle of September, so as to ensure that the demands for tax go out in time for payment to begin punctually on January 1st. The new rates and allowances meant that, beginning from the third week in September, the whole work on calculating tax dues had to be done over again from the beginning. We accordingly told the Chancellor that the demand notes would be late in going out and that he must expect a good deal of revenue to be pushed over into the following year. But I was reckoning without the almost incredible efficiency of the Inland Revenue machine and the spirit of the British people. Thanks to the efforts of the Inspectors of Taxes and their Officers of Taxes, the demands went out, if anything, earlier than usual. In the envelopes containing them we put a printed copy of an appeal from Snowden to taxpayers to pay promptly. For the first and last time in history the public queued for the purpose of discharging their Income Tax liabilities.

In the debates on the Finance Bill Snowden started by being openly uncomfortable at receiving the applause of his lifelong opponents. For some reason he got very bitter towards his former associates, and this animosity was intensified in the election exchanges a month later. Some thought this a pity but a good many people enjoyed his speeches at the time, and anyhow, once in a fight, the old man could never bring himself to pull his punches. I expect too there was a certain

feeling that his late colleagues had cracked under crisis, leaving him with no recourse but to his old enemies. But it is no good speculating on this. His speeches undoubtedly were a major factor in the overwhelming victory of the Coalition and, that being so, it was, to say the least of it, ungenerous of the Tories to force him to swallow the whole hog of Protection before he resigned from the Government in 1932. Nor did the Prime Minister give him the support in these matters he was entitled to expect, and this should be remembered by those who criticized the acerbity of the references to Mr. MacDonald in the *Autobiography*. And there were private grievances as well. I think he might have had more consideration if he had not become a Peer. I tried to dissuade him from going to the Lords, but he had already committed himself. This step, I feel sure, lost him the whole of his almost uncanny influence with the working people, particularly those in the north of England, and, when he went overboard in 1932, there was hardly a ripple in public opinion — only an encouragement to those who had thought all along that the crisis of 1931 had been a ramp.

For the 2½ years following the crisis my only contact with public affairs was in the guise of a tax-gatherer. I became very interested in running this magnificent staff of 20,000 people and I even took it upon myself to introduce into it from time to time what I thought were minor improvements. I went about the country a good deal inspecting the work and taking part in the organized amusements, which were undertaken with the same efficiency as the professional activities. Altogether for me it was a period of enjoyable calm after the previous storms. The Chancellor of the Exchequer was now Neville Chamberlain and naturally his interest in the matter of taxes was mainly directed towards the Board of Customs and Excise. Indeed the Budgets of 1932 and 1933 have left no impression on my mind whatever, though I do recall clearly finding the Chancellor as considerate and efficient — and as aloof — as I thought him in the few months of his earlier period in that office.

I am not sure that my dominant interest in those few years wasn't our annual holidays, particularly as I got an attack of what Walter Elliot once diagnosed as 'delayed Hellenism'. I don't think it was

anything of the kind. It probably arose from the usual desire of mankind to have it both ways – in this instance to repair the original choice of mathematics, which had so largely contributed to launching me in life, and to acquire, however inadequately, some further acquaintance with the classical learning which I imagined would have been my real *métier*. In any case it never amounted to more than getting intense pleasure out of reading (in English) ancient history, and out of visiting towns and countries where the remains of the past most abounded. With this in view we spent the Christmas of 1931 in Rome, and both in 1932 and 1933 we went on the summer cruise of the Hellenic Travellers' Society. The trouble about Rome was that my newly found and probably bogus classical revival made me oblivious of the delightful medieval layer of the Eternal City.

I can't imagine a pleasanter way for middle-aged people to see Hellenic Europe than a high-brow cruise. Not that we were all high-brows by any means, for there were quite a number of nice ordinary people as well as a fair sprinkling of fashion and popular journalism. But there were always plenty of distinguished scholars about and, apart from the formal lectures they gave, they were usually willing enough to be waylaid. The mechanical arrangements were very thorough and there is everything to be said for being able to take one's sleeping quarters with one. In the two cruises we visited Venice, Spalato, Cattaro, Ragusa, Corfu, Crete, Sparta, Athens, Sunium, Delphi, Gallipoli, Constantinople, Troy and Rhodes. I know that the three Dalmatian towns ought to be called Split, Kotor and Dubrovnik, but I don't see why such lovely places should be given such ugly names. And the names are about all we have left, now that Tito's red hand has clamped down upon them all. Even the remaining and unforbidden places are almost impossible to visit in present circumstances. I shall be very sad if I never see the Parthenon again, and the violet crown over Hymettus; or the Aegean islands from Sunium; or Delphi and the olive groves of Kirrha; or the dolphins conducting our ship through the Hellespont and the approaches to the Black Sea from the Bosporus; or Santa Sophia and the Mosque of Suleiman the Magnificent; or Venice from the sea when the sun is

setting. However, there are the memories of all these and there is the memory too of the great battles between the classical and the medieval schools, between Dr. T. R. Glover and the Provost of Kings' on the one hand and Father M. C. D'Arcy on the other – battles which somewhere or other will be re-fought until the day, which Heaven forfend should ever come, when both Greece and Christendom are swallowed up in the universal night of Marxism.

After the storms of 1931, my life at any rate had become uneventful, and then at the end of 1933, Sir Samuel Hoare asked me to go to India to succeed Sir George Schuster, as Finance Member of the Viceroy's Executive Council. It took me only a few days to decide to accept. Notwithstanding my agreeable comfortable life, and congenial working partners at the Inland Revenue, my insatiable curiosity and love of change prevailed.

There has been very little of the placid in my existence since.

CHAPTER SEVEN

INDIA

It was arranged with the Schusters that the change-over of Finance Members should take place after the annual exodus of the Government of India from Delhi to Simla, and this meant our arriving at the beginning of May. I therefore had some four months in which to learn as much as I could, consistently with being Chairman of the Board of Inland Revenue, about India in general and its political and financial situations in particular. I take for granted that everybody knows the basic facts about India – its geography, its diversity of races, tongues and religions, how it was, up till the cessation of British rule, divided into British India consisting of a number of Provinces (nine in 1934 and eleven from 1937 onwards) and Indian India comprising six hundred-odd States ruled by Princes under the paramountcy of the British Crown and ranging from Hyderabad, with its fifteen or twenty millions of inhabitants, to estates of a few acres. Everybody knows also how our rule in India was founded by the East India Company and how, after the Mutiny, it was taken over by the Crown in 1858. The assumption of sovereignty was accompanied by a proclamation of Queen Victoria which gave assurances *inter alia* that there would be no interference with religious beliefs or worship; that, so far as might be, all persons of whatever race or creed would be freely and impartially admitted to Government posts the duties of which they were qualified by education, ability and integrity to discharge; and that, in framing and administering the law, due regard would be paid to the ancient rights, usages and customs of India.

For the sixty years from 1858 to 1919 the structure of British rule did not change much, though alterations in tempo were undoubtedly brought about by modern invention. The framework of the local administration of the Moguls was preserved. At the apex of it was a District Officer of the Indian Civil Service recruited from the Open Competition held in London in accordance with a syllabus which

virtually made it necessary for candidates to have been educated in the United Kingdom. The District Officer was both civil administrator and magistrate, and up till the age of the motor car he lived very much among his people, frequently leaving his headquarters for leisurely tours through his domain. He in fact became *ma bap* (mother and father) to his District; he ruled it as an autocrat but he was a benevolent autocrat and an astoundingly popular one. The small Provincial Governments of India were also autocratic (subject to the India Office and Parliament) and were predominantly staffed by members of the Indian Civil Service, obtained for comparatively short periods from the Districts. To preserve order internally, to guard against the incursions of the tribes on the turbulent North-West Frontier, and to keep a watchful eye on the nefarious designs of Russia, there was a large Army in India. This consisted of the Indian Army proper composed of Indian sepoys, Indian under-officers and British officers devoting their whole career to service in India; and of a considerable number of complete units from the British Army. The commands and staffs were divided among officers of the two services and the Commander-in-Chief came in alternation from the British and Indian Armies. By and large the police consisted of Indian constables officered mainly if not entirely by Europeans. The subordinate and ancillary services, clerical, accounting, educational, forestry and engineering, started by having a considerable proportion of white men, but vacancies were more and more filled as time went on by Indians.

Up till the first World War there was in India no semblance of self-government, though not long before it Indians began to be associated with the governance, as distinct from the administration, of their country in a consultative capacity. In the matter of administration they were coming more and more to dominate the ancillary services but they could only get into the Indian Civil Service by sitting for the London examination, and there were no fully-commissioned officers in the Indian Army. The modern political development of India starts from the Cabinet declaration of 1917, proclaiming the status of a self-governing Dominion as the ultimate goal and promising steady progress towards it. In 1919 accordingly the Montagu-Chelmsford

Reforms were enacted. In the Provinces these took the form of 'dyarchy' under which there were elected Legislatures with Ministers responsible to them dealing with certain functions, while the remaining activities remained under the control of the Governors through Members of Council. Indian Civil Servants formed the steel frame of both sides of the administration, and the Members of Council were almost invariably found from this service. The subjects handed over to Ministers were largely the social betterment services, while there were left to the Members of Council mainly the disagreeable tasks of preserving law and order and imposing taxes. At the centre also there was to be a Legislature, partly of nominated and official, but mainly of elected members. The responsibilities of Government remained with the Executive Council under the Governor-General and Viceroy, but three of its members were always to be Indians. Except in regard to special matters, such as relations with the States or Defence, all legislation and expenditure had to be voted upon by the Assembly, but in effect the Governor-General had powers both of veto and of restoration or enactment when the Assembly refused to approve what he had judged to be necessary in the interests of India. In passing, I mention that the Viceroy was so called when he was representing the Crown *vis-à-vis* the States, and Governor-General in relation to British India. In the decade after the Montagu-Chelmsford Act of 1919 it was laid down that the Government of India should work towards a half-and-half distribution between Indian and British personnel in the I.C.S. and the officer class of the police, while a serious beginning was made with recruiting and training Indians as full officers in the Army.

I ought also to mention the Fiscal Autonomy Convention. From about 1920 the Government of India decided that it wanted to be free to protect infant industries. His Majesty's Government accepted this policy and the Secretary of State for India gave assurances that whenever the Government of India and the Legislature were in accord over a matter of fiscal policy there would be no interference from Whitehall.

So much for the general background. The Montagu-Chelmsford Reforms certainly did not bring content in India. I would be disposed to say that their faults were that they resulted in the British in India

becoming identified with the coercive rather than the benevolent functions of government, and that, especially with the new fiscal policy, urban interests were favoured as against those of the infinitely more numerous rural population. But neither of these was the overt cause of unrest. With the spoils of self-government now in view, communal desires, and therefore cleavages, grew apace, while the Indian National Congress under Mr. Gandhi continually agitated for advance towards independence, using the technique of 'Civil Disobedience' and boycott from time to time. The Simon Commission was set up in 1927 to consider the question of the future governance of India. Subsequently there was a series of Round Table Conferences and finally the National Government which took office in 1931 produced the famous White Paper containing proposals for a considerable further measure of self-government. This White Paper was now, at the turn of the year 1934, being studied by a Joint Select Committee of both Houses of Parliament under Lord Linlithgow.

Here then was the situation as it presented itself to me on the threshold of my new assignment. Economically India had found herself very much involved in the crisis of 1931. In the years leading up to that crisis she had been faced with appallingly low agricultural prices, a very narrow export surplus, a weakened rupee exchange, great budgetary difficulties and the necessity of borrowing on unfavourable terms in London and India to meet Budget deficits or maturing obligations. She, like the United Kingdom, had been obliged to take drastic measures involving severe cuts in expenditure and heavy extra taxation; like the United Kingdom she had left the Gold Standard and from September 1931 she had been linked to sterling. In 1934 agricultural prices were still very depressed and this meant inadequate consuming power for the masses of the people who lived by agriculture. The exchange difficulty had disappeared, at any rate for the time being, because the increased rupee price of gold had evoked from the traditional hoarding places considerable quantities of the precious metal for export. My predecessor's stern and orthodox budgetary policy had enabled him in large measure to restore India's credit and to begin refunding debt at lower rates of interest. But a number of his

emergency measures of 1931 were still in force, including a cut in the pay of Government servants and a special surcharge of 25 per cent on the basic Income Tax scale and throughout the whole range of the Customs Tariff. Incidentally there was extant an undertaking by the Government of India that the first claims on future Budget surpluses should be the annulment of the pay cut and the repeal of the surcharge on Income Tax. Politically things were quiet. As a consequence of Gandhi's civil disobedience campaigns of 1930 and 1932 (which were in fact the very reverse of civil and had resulted in a great deal of active violence) the Indian National Congress was under some sort of ban. As far as I can remember, the Congress branches in the Provinces had been freed from interdict, but the All-India body was in theory to remain proscribed until such time as the Mahatma had forsworn civil disobedience. The Legislative Assembly contained no Congress representatives, not because of the ban but because Gandhi had boycotted the last elections. This meant that the nationalist forces in the Central Legislature were not so homogeneous and disciplined or as intransigent as they otherwise would have been, and that the Government could get their business endorsed with no more than a very occasional resort to the Viceroy's special powers of restoration and certification. However, there were to be new elections in the autumn and it was known that Congress would do whatever was necessary to enable them to contest these.

By this time it was plain that the Joint Select Committee were not going materially to alter the White Paper, though they were not expected to produce their formal report before the end of the year. It could reasonably be assumed therefore that the new reforms would take shape in the grant of virtual self-government (subject to the retention by the Governors of authority to deal on their own initiative with grave threats to law and order) within the sphere of the nine existing Provinces and in two new ones to be created, namely Sind and Orissa. On top of this near-independence in the Provinces there was designed an All-India Federation at the centre to deal with the subjects normally regarded as proper to a Federal Government. It is true that Defence and External Relations were to remain in the hands

of the Viceroy, though even here he was to maintain close touch with the elected Ministers. It was hoped in London that the first autonomous Governments in the Provinces could be instituted by April 1st, 1937, and that Federation would follow not more than two years later.

II

Just before we left England, my first chief at the Treasury, Horne, gave me a valedictory dinner to which he invited my four other Chancellors of the Exchequer. Unfortunately Philip Snowden was ill and Neville Chamberlain also was unable to be present. But the three who did attend overwhelmed me with the kind things they said, and with the warmest of good wishes for success and happiness in my new life. I wasn't expecting anything of the sort and was a little fussed when I realized that I would have to say something in reply, especially as I had never in my life before even attempted to make an impromptu speech. It was not a very good speech, and it contained one glaring ambiguity to which Winston laughingly directed my attention after dinner. I was trying to set out what I had learnt from my association with these five masters, which wasn't at all a bad idea for a novice. But in the course of developing this plan I assigned to Mr. Baldwin the credit of having taught me to suffer fools gladly!

We were to sail on the *Viceroy of India* on April 16th, and a large crowd of friends of all kinds and conditions saw us off at Fenchurch Street station. There were only a few passengers on board and the majority of these were leaving the boat at Gibraltar or Port Said. Nor were there many joining at Marseilles, where we were to stop for the best part of a day. When we got there we decided to use this spare time in a quick trip to Arles, picking up a casual taxi for the purpose. Our journey lay past L'Étang de Berre and over the stony uplands to Aix, and then through the lovely Provençal countryside to Arles. Somehow or other this beautiful Roman city looked down-at-heel, and its charm fell short of what we experienced on our first visit seven years or so before. All the same it is one of the most attractive places

in the world and we hope some day to revive our memories of it. For the rest, the voyage was entirely unnoteworthy except that there was an Irish Guardsman on board, Alexander by name, going out to command a brigade at Nowshera on the North-West Frontier. We were fortunate enough to see quite a lot of him, though he divided most of his time between writing to his wife and the earnest acquisition of the Urdu tongue. Both of the Griggs were much impressed with 'Alex' and we jokingly predicted that he would end up as Commander-in-Chief in India, while I was cast for the role of Viceroy and Governor-General. He, of course, more than realized his projected fortune, and, indeed, he became both a Commander-in-Chief and a Governor-General, though neither of them in India; but I fell somewhat short, I suppose, of our not very seriously meant prophecies. For the three years that we were in India together, we kept up our acquaintance. He and his wife stayed at our house in Delhi, and I at his in Nowshera, and several times I saw him when he was commanding troops in actual expeditions against the Frontier tribes. He was usually associated with another coming soldier in these affairs, Brigadier C. J. Auchinleck, and both of them were held to have shown great skill and greater promise.

Bombay was at its most unpleasant when we arrived. We were to spend a night at Government House in order to receive all the ghostly counsel my predecessor had to give. The Governor was Lord Brabourne, and both he and his wife were charming. We took an instantaneous liking for them which on further acquaintance developed rapidly into affection. They were natural and unaffected, though I could have wished that they had abolished even more than they did of what I thought was the unnecessary gubernatorial routine. Lord Brabourne was later translated to succeed Sir John Anderson in Bengal. He was never to complete his Indian assignment, for he died early in 1939 shortly after a term as acting-Viceroy during Lord Linlithgow's absence in England. His death in the early forties was a great tragedy. All who knew him felt that they had lost a dear friend and India an outstanding future Viceroy.

That first night was unmitigated misery. The sticky heat meant that

we went to bed pouring with sweat. With the electric fan at full speed we became icy cold on account of rapid evaporation from our bodies; at anything but full speed, it very soon stopped altogether and we immediately sweltered again. I was to go to Bombay many times thereafter, but I don't remember spending more than one comfortable night in it, and I would say that there is only one month of the year in which the Gateway of India is tolerable to Europeans. However, a great many of them have managed to live there all the year round. Some of the servants whom we were to take over from the Schusters met us at Bombay and in particular, our Madrasi Christian butler, Andrew; and my bearer Ali Mohammed, a Muslim from Sialkot in the Punjab. These two straightway took charge of us and our belongings, and, from now on in India, travelling never meant more to us than driving to a station to board our saloon, knowing that we would find there or at our destination everything we needed for the visit. Each member of the Viceroy's Council was entitled to the use of one of these saloons which could be attached to any train on any of the Indian railways. It contained a kitchen, sleeping quarters for the servants, a room for a private secretary, a large and most comfortable drawing-dining room, two small but well-furnished bedrooms and a bathroom. Journeying over the vast distances of India could not take place in easier conditions, and during the next five years we spent a good deal of time in the saloon, and on many occasions, when we had a round of visits to pay in a particular area, we had the coach parked in a siding at the nearest big station and came back to it each night to dine and sleep.

We left Bombay at night and woke up next morning in the hot and arid hills and deserts of central India. We saw no green and pleasant land all day, and it was dark before we got to Delhi. From Delhi we travelled to Kalka in the foothills above Ambala where we were turned out at four in the morning to change on to the Kalka-Simla narrow-gauge mountain railway. I don't know how far it is between these two points as the crow flies – perhaps fifteen miles – but by rail it is sixty, and in time, four hours. However, it was now cooler and the changing mountain scenery as we climbed to nearly 8000 feet was

fascinating. First a sub-tropical belt with heavy vegetation and in particular the pomegranate with its brilliant wax-like blossom, then rolling slopes bare of everything but low scrub, and finally evergreens, predominantly mountain pine and rhododendron. We were met at the minuscular Simla Station by the Secretary to the Finance Department and taken still further up the hills to our house, Peterhof. Transportation was by rickshaw, for in Simla the roads cling to the hills so precariously that only three persons are permitted to use motor cars – the Viceroy, the Commander-in-Chief, and the Governor of the Punjab. Each rickshaw has a crew of four, two pulling in front and two pushing behind, and they are dressed in a kind of livery personal to the owners of the rickshaw. It was pretty hard work tugging stout passengers up the slopes, and as the *jhampanies* had to be out in all weathers, they hadn't a very great expectation of life unless their employers went to considerable pains to look after them – which they nearly always did. Incidentally, all our heavy luggage and packing cases had to be brought up the hill on the backs of coolies.

Peterhof was the most attractive house I have ever lived in. In the early Simla days it had served as Viceregal Lodge, and it had housed the Lyttons and the Dufferins as well as a number of earlier Governors-General. It stood on one of the many knolls of Simla with a magnificent view down to the plains on clear days in two directions. Around it were large lawns and flower beds on a variety of slopes and levels, and a hard tennis court cut out of the hillside with something like a sheer drop below it. The flowers were for the most part of the familiar English garden variety except for one bed which was filled with the delicate blue agapanthus. The house was rectangular in shape, two-storeyed, half-timbered and stuccoed, with deep verandas on three sides and an abundance of French windows. Climbing up the walls were clumps of banksia, of montana and of the brilliant orange bignonia, which I think belongs to the same genus as the trumpet vine of Virginia. Later on we added some more refined varieties of clematis, and they did very well until our newly-born dachshund puppies took to biting them off at ground level. In the verandas were literally hundreds of pots of fuchsia, begonia, calceolaria, schizanthus and

suchlike. At the back of the house was a small iris garden which gave us the greatest pleasure, especially after the monsoon, when we could see from it, across the valley, an apparently infinite line of snow-clad peaks which gave the appearance in the clear air of being near enough for one to toss a pebble on, but to reach which probably involved at least a three months expedition by fully equipped Himalayan explorers. Many of the peaks were from twenty to twenty-two thousand feet in height and they looked lovely at all times of day, but most especially in the morning sun. But they were a fleeting glory, for a dust haze blotted them out in the months before the monsoon and for the three months of the monsoon Peterhof was enveloped almost continuously in mist or cloud.

The house was almost as attractive indoors as out – at any rate downstairs, for the second storey was occupied by a row of rather untastefully furnished bedrooms on either side of a long corridor. The gem of the whole building was the large hall panelled in the shisham wood of which Noah's ark was reputed to be made, and with polished flooring of some other handsome Indian wood. This hall was delightful for almost any purpose – to sit and idle, for a concert with a fair-sized audience, or to dance fifty couples.

Shortly after arrival we made the acquaintance of the rest of our household. I think there were nineteen in all, which sounds very extravagant and vulgar, but four of them were gardeners and four others made up the rickshaw crew, and, apart from this, Indian servants carried specialization of function to an almost absurd degree. Caste was, of course, partly responsible for this, but not entirely. Our household lived in a separate compound a little way down the hill. Occasionally we got rumbles of domestic jealousies and communal quarrels, but on the whole they were a peaceful and law-abiding lot who caused us little or no worry and gave us the most faithful and devoted service. Needless to say, they were great 'askers' and any of them who could exacted from the tradesmen who supplied us a certain amount of *desturi* or commission. But if this *desturi* was excessive we didn't know it, and in any case, their pay was little enough on any European standards.

On our arrival in Simla we were beautifully and hospitably received by the Willingdons, and their kindness to us continued for the rest of their tenure of the Viceroyalty up to April 1936 and again after our return to England in 1939. Lady Willingdon had many admirers and some traducers. She was energetic and masterful and liked her own way; she frightened the timid and was able very quickly to win the regard of the not so timid. She was, and is, a very warm-hearted woman who did many good deeds in public and many more in private. She contributed a great deal to the success of her husband's career, she was a steadfast supporter and very rarely lost a friend. Both my wife and I were her sincere admirers. Of Lord Willingdon I have the most affectionate memories. I said in a broadcast which I made to India at the time of his death in 1941 that I never paid a visit to him reluctantly and never ended one except reluctantly, and I remember too that whenever I, or anybody else for that matter, went to see him alone he invariably conveyed the impression that his visitor was the one person on earth he most wanted to see at that particular moment. The keystone of his policy, which he pursued in time of calm or storm, was a belief that India had an indefeasible right to proceed rapidly along the path to self-government, but that she had a duty to accompany this progress by the self-discipline of a growing respect for law. He sought in his Executive Council to govern, not by imposing his own views or by the crude device of a majority vote, but by searching for some solution to a problem which all would be content to accept as the best possible in the circumstances. *The Times* in 1941 picked out for special mention the stand he took against the depressing social exclusiveness which had divided European and Indian Society into watertight compartments. He was able to do this because he felt no condescension towards any man of whatever race or class, and because he loved India and its inhabitants, to whom he had given seventeen years of his life, only a little less than he loved his own country and countrymen.

The Indian Civilians received us with mixed feelings. I was another outsider pitchforked into one of the most prized posts open to their service, which didn't help much. Moreover there was a lot I didn't

know about India, a fact which they did not fail to bring frequently to my notice. Nevertheless, I received many individual kindnesses at their hands, and those of them who were under my command were both loyal and efficient, though it early became obvious that I would have some opposition to overcome, if I were ever rash enough to have any ideas of breaking away from their traditional practices and theories. There was in that first Simla season a short session of the Legislative Assembly. I had lots of questions to answer and I made a few unimportant speeches. On the whole, in my first contacts with the Indian politicians, I was received in a friendly way, and with a willingness to wait to see how the unknown quantity worked itself out. In the Executive Council I began to be a bit of a nuisance in resisting proposals for new or higher protective duties; in being a little less than polite about some of the more blatant communal ramps; and in advocating somewhat less rigmarolish rules of business. But in my first season I did not get myself into very hot water, and I struck up firm alliances with Field-Marshal Sir Philip (now Lord) Chetwode, the Commander-in-Chief, and with the Bengali Law Member, Sir Nripendranath Sircar. The former was, in my view, an outstandingly good soldier as well as a very shrewd and informed man of the world, and, though he did his best to hide them under a somewhat cynical and blasé covering, he had the kindest of hearts as well as an acute political intelligence. With him, too, my friendship has endured to the present day, and I am very proud of it. Sircar was a highly successful Calcutta barrister with a clear, cold brain, great business acumen and a fearless attitude towards humbug wherever he found it, but particularly in the extremist politicians of his own country. Towards the end of our joint five years in India, he had a serious illness which took some of the edge off his consummate ability, and, I regret to say, some of the bloom off our personal intimacy.

At a height of 8000 feet with no means of locomotion except a rickshaw or Shanks's pony, social life was somewhat restricted, especially as Simla was one of those deadly places which is a seat of government and nothing else. There was a good deal of entertaining, but as the population was almost entirely official, and as, moreover, even in

private houses, the seating at meals was rigidly regulated by the Warrant of Precedence, this was apt to lack variety and excitement. However, the fact that the Punjab Government also had its summer capital in Simla enlarged our scope somewhat, and I was glad to establish durable relations with Sir Herbert Emerson, the Governor; with the late Sir Sikander Hyat Khan, who was acting-Governor when we first arrived and who later became the first Chief Minister of the Punjab; and with other members of the Punjab hierarchy. My wife made a somewhat unconventional departure in instituting in the large hall of Peterhof a weekly bridge party where ladies of all ranks and races were welcome, and where no regard was paid to the placings in the aforesaid warrant. For the rest, there were the occasional performances of the Simla Amateur Dramatic Club, the object of which, I fear, was much more to entertain the performers than the spectators, and the weekly race meetings at Annandale, a picturesque little hollow 1500 feet or so lower down the mountain side; there was the camping ground and golf course 10 miles away at Naldera where the skilled golfers habitually did ludicrously small scores, while the not so skilled spent hours retrieving their ball from precipitous chasms; and there was Wildflower Hall, which Lord Kitchener had built 12 miles out on the Tibet Road, to be as far away from Lord Curzon as he could get, and which had been turned into a comfortable hotel whence one could take delightful walks into the sparsely populated hills at a height of about 10,000 feet. Finally it was possible, once the rains had started, to make incursions into the plains and beyond. During my first few months I paid visits to Sir John Anderson at Calcutta, incidentally just after he had been shot at and missed from a range of seven feet by a Bengali terrorist at Darjeeling, and to Sir Malcolm (afterwards Lord) Hailey at Naini Tal. I had long known the first of these two men, and I have since seen much of both, and it is difficult for me to speak too admiringly of them. But my outstanding recollections of these two visits are, first, of a round of golf with Anderson at Tollygunge infested with a bodyguard of disguised and undisguised policemen, all of them armed to the teeth; and secondly, of Hailey standing on the edge of a sheer drop of what looked like thousands of feet pointing out to me the mountain

views, and of my creeping back on all fours on account of an attack of vertigo.

No account of our early months in Simla would be complete without chronicling the fact that almost immediately we acquired an adorable sable dachshund puppy whom we called Dorothy (after my wife's best friend). Affectionate but offhand and capricious, self-contained but exacting, extremely intelligent, a determined defender of our privacy with, I regret to say, a great prejudice against the bare legs of Indian messengers and tradesmen – she lived with us for five years and in course of that time produced two families each consisting of six of the handsomest puppies I have ever seen, except for the unfortunate whose tail Dorothy bit off at the moment of birth in a sudden attack of confusion at the arrival of her first litter. Later on I shall describe how she and one of her daughters, Tina, turned themselves into the guardians of our Delhi house and garden also. Alas! we had to leave her behind and she did not long survive our departure.

We left Simla in October, visiting on the way Faridkot, a small Sikh State whose ruler had just reached eighteen and was, in consequence, being invested with his full ruling powers. We had a quick look at Lahore too, and then on to New Delhi where we were to inhabit a house with the extremely prosaic designation of Number 3 Queen Victoria Road. I will try to give some impression of this, but I cannot do it except in the setting of the Lutyens and Baker city and its relation to the seven or eight earlier Delhis.

There were seven ruined cities spread around the Delhi plain which had formed the capitals of one or other of the Muslim dynasties from Persia or the north-west. Some of the surviving buildings were of great beauty, particularly the Purana Kila or Old Fort. And even the buildings which were in ruins – mosques, tombs of the emperors and their wives or their court officials – added dignity and charm to the otherwise flat and arid landscape. The eighth city is that known as Old Delhi, which was built by the Mogul conquerors. It is a large, teeming warren of narrow, dirty and ugly streets which, however, contains two of the purest gems of Mogul architecture, namely the Mosque or Jamma Masjid and the New Fort, somewhat like the one at

Agra but even more attractive. Then comes the ninth Delhi, designed by Lutyens and Baker. I don't know how these two eminent architects divided the task between them, but certainly the Viceregal Lodge is attributable to Lutyens, while the two handsome secretariat buildings are due to Baker, as is, I believe, the flat circular cake-like Parliament House, which I regard as quite hideous. The lay-out of the city which consists, in addition to the public edifices I have mentioned, almost entirely of official residencies plus a concentrated shopping centre, is spacious and regular and it makes skilled use of long vistas, artificial water and gardens. I suppose that the designers intended to produce a combination of Mogul line and colour with Western spaciousness and comfort. Experts would probably judge that they had succeeded; indeed it is commonly said that the aged Clemenceau, on being shown the nearly completed city from the top of Viceregal Lodge exclaimed: 'This will be the most magnificent ruin of them all.' Personally I found the somewhat slavish repetition of the comparatively few standard designs of bungalow rather wearisome, and always, towards the end of March, I discovered that the flat unprotected roof made the houses almost unendurably hot, especially as two sides of them were quite bare of verandas. The houses were furnished by their owners in as English a style as possible. Ours was terribly English. The best thing about it was the compound, which extended to about five acres in all. Around the walls was a thick belt of flowering shrubs; within were numerous flowering trees and bushes, such as oleander, hibiscus, bignonia, bougainvillaea, bohinnea and erythrinum; there were extensive lawns and gravelled paths, as well as numerous beds filled with different kinds of canna. Besides all this, my wife insisted on making two herbaceous borders into which she stuffed every conceivable common English flower she could get hold of. As, during the whole season from November to March there was practically no rain, very rarely any wind and a frost only on about one night in two years, and as the upkeep of the gardens was in the hands of the Public Works Department who lavishly piped the necessary water from the river Jumna several miles away, the flowers grew tall and straight and profuse, and moreover they lasted for nearly the whole of the six months

we normally spent in the plains. Add two rose gardens in which the trees bloomed for four or five months on end, and it can easily be imagined what a constant joy this combination of East and West was to us.

In the shrubbery I have mentioned there generally lived one jackal, one hare and a cat. Dorothy regarded their presence as a personal affront and every day after lunch we were enticed into the garden to superintend the clearance of the intruders. The drill was for Dorothy boldly to enter the thicket and work through it. Her daughter Tina scouted on the open edge to give tongue the moment any of the trespassers broke, when she would be at once joined by her mother to harry them round the compound. I am afraid that, even though the red-coated *chuprassies* or messengers helped by closing gates and heading back the quarry, the dogs never made a kill. Dorothy evidently thought deeply over her failures, and seems to have come to the conclusion that the superior speed of the pursued was due to the bounding method of progression adopted by the hare. So, and I saw it with my own eyes, she decided to try leaping herself instead of running *ventre-à-terre*, but alas! to no purpose.

I suppose it would be judged that the Lutyens-Baker designs harmonized well with the natural scene and the ruins of the past. But I wonder whether those two distinguished men approved the design of laying out a golf course among the tombs of the Lodi dynasty. It was a very attractive golf course and I myself never felt any great incongruity between this most Western of all recreations and the Eastern setting in which it was being carried on.

Here I am irresistibly impelled to tell the story of an incident which has little to do with the eight or nine Delhis but which will give an idea of some of the ways in which East and West are meeting in the central plains of Hindustan. One day early in 1936 my wife and I started off from Delhi for Gurgaon, the scene of the attempts of Mr. F. L. Brayne, a Punjab civilian, to induce the cultivators to modernize their methods and to adopt more sanitary modes of life. When we were about equidistant from Delhi and Gurgaon the car broke down. Presently there hove in sight one of those vast, swaying, ungainly Indian omnibuses carrying at least three times the regulation number of

passengers, who were packed like sardines inside, perched on any likely space outside or clinging precariously to projections. My wife hailed it and addressed the driver in the somewhat stilted and classical Urdu she had learnt from her *munshi* (teacher). He relegated one of the previously favoured passengers on the driving seat to the inferno within, made room for my wife and gave her to read one of the books he was taking back to the circulating library in Old Delhi in pursuance of his role of common carrier of chattels as well as passengers. I may say that public passenger vehicles are prohibited from travelling on the sacred streets of New Delhi, and my wife only asked to be dropped at the nearest point to the Imperial City at which she was likely to pick up a conveyance. The driver, however, having grasped that his passenger was the wife of a Councili Sahib, insisted that he could with impunity drive his bus with its teeming occupants through the proscribed ways to the gate of our house, which he duly did. What is more, he drove it still replete with passengers through the gate of the compound, round the carefully tended gravel paths and up to the very veranda of the house, where he was received by a collection of open-mouthed *chuprassies* and domestic servants. The Lady Sahiba thanked the driver profusely, proffered several times the legal fare, but met with an absolute refusal to take it and the assurance that it had given great pleasure to be able to oblige. Judging by the smiling faces of the sardines, it had given them great pleasure too, in spite of the fact that they had been taken miles out of their way and delayed on their journey at least half an hour. The castaway on the road to Gurgaon was duly rescued by the arrival of the spare car and the chauffeur, who was left behind to doctor the original.

III

My first two months in New Delhi were spent in discussions in the Executive Council and with London about the report of the Joint Select Committee and the draft of the Government of India Bill based on it, which was to be introduced into Parliament early in 1935. I had also to prepare my first Budget which was due to be unfolded in the

Assembly on February 28th. Before then it had to be outlined to my colleagues of the Council during their meetings in Calcutta – where the 'Court' was under the obligation of tradition to spend at least a month every year – as a preliminary to its submission to the India Office. Combining business with pleasure, the Grigg family spent a fortnight at Government House, Calcutta, with Sir John Anderson, and had their fill of the typically English gaieties which were thought to grace the Christmas season in the former capital of British India.

By now the elections had taken place, and Congress had secured a homogeneous and well-disciplined bloc of 50 or 60 members in the Assembly. This was to be expected, for Congress was then the only organism which had developed an electioneering technique and, moreover, it had considerable funds to indulge it, derived from their mill-owner and other big business supporters. The existence of this rigidly regimented Opposition meant that it was going to be very difficult to carry any important measure without recourse to the Viceroy's special powers. This would only have been possible if all the other elements had united to support the Government and oppose Congress, which was out of the question. At that period it was not so obvious as it afterwards became that Congress was essentially a Hindu instrument. Indeed it was posing with some success as an All-India body striving for freedom against the British and developing the 'Alternative Government' procedure which Sinn Fein had used so successfully in Ireland. The Muslims had hardly begun to think of organizing themselves as a community. The League had scarcely been heard of, Mr. Jinnah was a nationalist from Bombay whose anti-British record was almost as clear as Gandhi's own, and the Mohammedans of the Punjab had, under the influence of the able and astute Sir Fazl-i-Hussain, decided that the politics in that Province should be run, not on a communal basis, but on the division of country versus town. They had created a party representing rural interests, which contained a majority of Muslims it is true, but which also included non-Congress Hindus and moderate Sikhs as well. In the North-West Frontier, Gandhi had, with the assistance of Abdul Ghaffar Khan, the leader of the Redshirts in the insurrection of 1930, nobbled the more lawless of the followers of Islam as adherents

of Congress. Altogether it can be seen that among the actively political Indians, it was judged more important to be critical of the British than to be avowedly a Hindu, a Muslim or a Sikh. Government could not, therefore, rely on much support outside of the official and nominated members, the Europeans and a few special interests, and so there were bound to be fireworks when the Assembly met in New Delhi in February.

I was very interested in this new Assembly. The Congress line was soon disclosed. It was to make as much trouble as possible; to lose no chance of defeating the non-responsible, and, as it was never tired of proclaiming, non-responsive Government at every opportunity; and to make bitter and abusive propaganda speeches declaiming against the British exploitation and emasculation of India – the underlying objects being, naturally, to lower British prestige, to enhance its own and to convey the impression that Gandhi was, if not the first, at any rate an equal King in Brentford. To begin with, I was not very upset about this. I thought that I could anyhow answer back and I frequently did so, both firmly and bluntly, making it my business to expose the unreality of the comparisons so constantly drawn between an ancient Hindustan which was the seat of all culture and the scene of the golden age, and a modern India impoverished, ill-treated and fleeced by Britain. Oddly enough, I found that the Congress people never minded plain speaking so long as they were convinced of the sincerity of the speaker, and so long as there was no patronage or race-superiority in his utterances. Of course they had no inhibitions about attacking me in return, and they thought it legitimate to trip me up and score off me whenever they could. But though I was thus in public their main opponent, in private I got on to very good terms with them, and especially with their three very diverse leaders, Mr. Bhulabhai Desai, Pandit Govind Vallabh Pant and Mr. Satyamurthi. Indeed my personal relations with political Indians were on the whole agreeable, though not always placid, all the time I was there. I am not sure that the official British in India did not regard it as regrettably vulgar on my part to go into the ring with Indian politicians, and certainly the more mediating of the European business men thought I was endangering the cause of accom-

modation in India by telling the truth without fear or favour. It is quite true that Indians are a very sensitive race, but I do not believe they resent open and honest controversy. They are driven almost to frenzy by 'high-hatting' and they resent Englishmen being too clever with them, but I made it my business never to practise either of these habits.

I should perhaps make it plain that I always disliked Congress as a body, and after the Quetta earthquake of 1935, this dislike became much stronger. But I still managed to preserve excellent personal relations with the followers of Gandhi, though, given my quick tongue and temper, there were bound to be misunderstandings on occasion. The reason why I put Quetta as a kind of turning point is as follows. The earthquake in this city was a disaster of the first magnitude. Because of the substantial character of the buildings the cantonments where the troops were stationed did not suffer much damage. The Indian city, however, was utterly flattened, and it was estimated that something like fifteen to twenty thousand people perished in the ruins. The work of rescue was in the hands of the military, who devotedly and unceasingly laboured to extricate those who were still alive. To allow of orderly rescue work, the military commander had 'sealed the city' so that none but soldiers could enter – no relatives and none of the wandering marauders who gather like vultures wherever there is a chance of loot. A day or so after the tragedy, the Congress Working Committee asked to be allowed to send a delegation of inspection and relief to Quetta, but in view of the danger of disease from the large number of corpses lying in the debris, the request was refused. Congress thereupon embarked on a campaign of the most disgusting vilification of the troops – how they had raped and robbed the helplessly entrapped victims, even to the degree of cutting off ears and fingers to get at rings and ornaments, and how they had ceased rescue work prematurely so that thousands who might have been saved were left miserably to die. This campaign was pressed very hard even in the Assembly, and it so patently rested on mere malicious invention that I could never again regard Congress as a body as other than an evil thing.

Perhaps this is a suitable place to turn aside to give an idea of the Congress organization in general, and of Gandhi in particular. Congress was founded by an Englishman, or rather a Scotman in 1885, with the primary objects of accelerating the pace of Indianization in the services and of stimulating indigenous industry by measures of fiscal protection. From time to time its leaders preached violence, but on the whole it can be said to have been a reasonably moderate institution until Gandhi got control of it after the first World War. He gave it a new doctrine, a new objective and a new technique. The objective was undoubtedly to get the British out of India, the doctrine was Satyagraha or soul force, and the technique was civil disobedience, or passive resistance. In my view Gandhi's desire that the British should leave India went far beyond any 'fight for independence' of the traditional character. It was accompanied of course by a good deal of racial dislike of Europeans, but it was, in essence, I think, a fight to preserve Hinduism. As everybody knows, this religion flourishes nowhere else in the world. It was on one occasion threatened with complete extinction, even in India, by Buddhism, but it made an astonishing recovery, and for 2000 years it has maintained its hold on India, whatever conquerors have possessed it militarily and politically, losing few converts to Islam or Christianity outside the untouchables or depressed classes. About Hinduism it is difficult to speak concisely. Doctrinally it covers the whole range from an esoteric and world-denying philosophy of incredible antiquity to the crudest animism and even phallism. It is highly syncretistic and it embraces not one but many theogonies, and its infinitude of gods are worshipped at numerous festivals. Of the rites and ceremonies attaching to these, some are simple and charming, but others are sacrificial in a crude and revolting way, and others again are as frankly orgiastic as the old corn god mysteries. Its one fixed feature is not religious at all but social, and that is the rigid and hierarchical caste system. Everybody knows about the four main groups, the Brahmin or priestly caste, the Kshatriyas or warriors, the Vaisyas or traders and the Sudras or workmen. Each of these groups is subdivided into large numbers of other castes, and outside all of them are the untouchables, who are probably the descendants of the original Dravidian

inhabitants of Hindustan who were conquered and enslaved by the first Aryan invaders. It is a religious obligation for all Hindus to honour and support a Brahmin and, in consequence, Brahmins enjoy far more consideration than their numbers would warrant. For example, I have always understood that, in the first Madras Assembly under the 1935 constitution, Brahmins held three-fifths of the seats, whereas they were, in fact, only one-thirtieth of the population. At the other end it is still broadly the case that untouchables are not allowed inside the walls of Hindu temples, that they must live on the outskirts of villages and draw their water from separate wells. There are fifty or sixty millions of these unfortunates, and of all people on earth, their lot is the most miserable. Caste is a matter of birth, and it is generally true to say that there is for the fortunate no fear of degradation, and for the outcast no hope of amelioration – except through death and rebirth. Incidentally, for all Hindus, death is no disaster. It is indeed a stage nearer to absorption in the infinite and the consequent escape from the uncertainties of continual rebirth.

Such in the barest outline is the system to which Gandhi, after much reflection and wide study, elected to adhere. So strongly is he convinced of its wisdom that I believe he would do anything to preserve it. I suspect that at some time during the war of 1914 to 1918 he became convinced that, if the West, whether represented by the British or by anybody else, stayed in India, the combination of the internal combustion engine, which took men out of their villages, and of cheap editions of the classics of occidental liberalism, would weaken and ultimately undermine the rigid and most undemocratic system of the Hindus. If I am right, this is why, when Gandhi became President of Congress, he was bound to give it an aggressively xenophobe character. The moment of his assumption of office was fortunate for him. The Muslims of India, out of sympathy with Turkey, were in conflict with the British and the combination of a Khilafat movement by the followers of Mahomet and civil disobedience by the followers of Gandhi caused great trouble in the early 1920s. But the alliance was an unnatural one, for Islam is in every particular unlike Hinduism. It is monotheistic, egalitarian and fiercely iconoclastic, and rests upon a written revelation

or code. In course of time, therefore, the two communities were bound to draw apart and, in spite of the presence of some Muslims and Sikhs and even Christians in its ranks, Congress would inevitably present itself more and more as essentially the organ of Hinduism.

Of the doctrine of Satyagraha I have read a good deal, but I confess that after it all I have little comprehension of what it really means. It has something in common with passive resistance, and certainly Gandhi practised this largely in his various contests with the British Raj. And in fact it was a very effective instrument in dealing with a race which still possesses many of the virtues of chivalry and Christianity. It was very difficult for us to apply force to unarmed people who committed no active violence but who nevertheless assembled in large crowds and made the streets impassable, or lay down in the doorways of shops and offices, or on tramway and railway tracks and brought all business and traffic to a standstill. Another device was for masses of people to present themselves at a police station for arrest and not to go away until they had achieved their objective. There is no doubt that Gandhi had a good deal of success with these methods, and that this served to raise the pride and self-respect of his followers to an extraordinary degree. Is it any wonder then that he was widely regarded by Hindus as a Mahatma or saint, and that he exploited this adoration by resorting to such adjuncts of sanctity as silence days, homespun clothes of the scantiest, and periodical fasts? But in addition to being a saint he was a Tammany politician of a very high order of competence. Whatever the constitution of Congress, and whether he was its titular President or not, his slightest word was law, and woe betide any who sought to contest it. The organism had huge funds derived to a minor extent from the four-anna contributions of members, and to a vastly greater degree from contributions extracted from the nationalistically-minded industrialists who got their *quid pro quo* from the organized boycott of British goods in unquiet times, and in propaganda on behalf of home-produced goods at all others. I suppose it is rash on my part to describe Gandhi with such assurance seeing that I have only talked to him twice – each time in the Delhi house of his main millionaire backer. But I had previously had a long course of studying his words and actions, and, moreover, there

were abundant opportunities of hearing about him from all sorts and conditions of men – fanatical followers, English officials such as Hailey and Emerson, who had from time to time been in prolonged contact with him, Indians who had once been devotees but who had parted from him, and many others. When I met him I had formed a reasonably clear picture in my mind of a most interesting personality. My two long talks did not lead me to change the picture in any material particular. He had an agreeable and cultivated conversational manner and considerable charm. I did not, however, find about him any of the odour of sanctity which has led so many people literally or metaphorically to fall at his feet and worship. I did find that he had a strong conviction of his importance as a political leader and a teacher. It did not at all revolt him to be compared in intrinsic magnitude, though not of course in characteristics, to Hitler, and he certainly did not reject the idea that in religious thought, history would assign him a place comparable to that of the Buddha or Confucius. It is often forgotten that Gandhi belongs to the moneylender or *bania* caste.

I should say here a few words about the Pandit Jawaharl al Nehru, one of the most attractive persons I have ever met, and, I believe, a man of great integrity. Born a Kashmiri Brahmin, he represents the highest degree of privilege and prestige in Hinduism. But he was educated at Harrow and Cambridge, he has absorbed much of the West, and his mind and spirit are probably battlefields in what has so far been the conflict between East and West. At one time it was prophesied that the ultimate upshot of this conflict would be his emergence as a Communist. He certainly has shown on occasion a good deal of the Asiatic racial antagonism towards the West. He is autocratic in outlook and impatient of opposition, and is liable to be maddened by the obstructions to change which are inherent in the rigid social customs of Hinduism. But for family and other personal reasons the Pandit is devoted to Gandhi and, during my time in India, he always in the last analysis answered the Mahatma's helm.

To complete this account, I should also add that on occasion the organized resistance of Gandhi's followers has been anything but passive. From time to time there have been beastly and horrible

incidents, particularly in 1942 when the Japanese were almost hailed as deliverers by some of Gandhi's more bigoted disciples.

IV

At long last I come to my actual job in India as Finance Member. I have no intention of describing the work which is performed as a matter of course by all Ministers of Finance – the paraphernalia of dealing from day to day with control of the currency and exchanges and borrowing operations, internal and external, long or short, with the whole machinery of Treasury control of expenditure; and with the agencies for assessing and collecting taxes, both direct and indirect. Nor shall I mention, except in a casual reference, the business of being a member of a Cabinet or Executive Council, nor even that of having to expound and defend one's policy in a Legislative Assembly. But obviously the business of looking after one's departments, of formulating Budgets and conducting them through the Legislature in itself involved a heavy mortgage on one's time. And over and above all this I was ex-officio Chairman of the Public Accounts and Estimates Committees.

What is of interest is more the actual achievement than the means by which it is achieved. Apart from what I may call the ordinary vagaries of making and balancing Budgets over a series of years, I was in a special position because everything I did had to be carried out in the knowledge that Provincial Autonomy was to start in 1937, and that every effort was to be made to inaugurate the Federation in 1939. These constitutional changes involved complex and extensive preparations and negotiations in the financial sphere, and I had not only to take part in these, but to shape my budgetary policy in accordance with their probable results. And it must not be forgotten that I had prior commitments in my predecessor's pledges on the pay cut and Income Tax. Incidentally also I had inherited from my predecessor an obligation to set up an Indian Reserve Bank to take over the management of the currency and debt independently of the Government. This

I did, but the results were quite other than its promoters intended, for the Central Board was, under the bank's charter, to be mainly elected by the shareholders, and within four years it came to be dominated by those Hindu big business men who were more than sensitive to suggestions from the Congress caucus, and some of whom had contributed largely to its funds. This might have had serious consequences. That it did not was due very largely to the skill and tact of Sir James Taylor, who was Governor for most of the time I was in India. In addition to his admirably efficient management of the internal affairs of the bank, he showed the utmost loyalty to me, both officially and personally, and we became the firmest of friends. His death during the war was a great grief to me and a severe loss to the bank, though he had trained a gifted Indian deputy who was able to succeed him. Apart from these predetermined objectives, I wanted to give my policy a tilt in the direction of benefiting the peasant as against the previously over-favoured townsman. This could, of course, be effected either by direct grants for rural purposes or by reducing the Customs Tariff, which, with its 26 per cent surcharge, was making the cost of living too dear and encouraging the foundation of inefficient indigenous industries, which would be bound hereafter to demand more protection against their external competitors, and so still further add to the cost of what the peasant wanted to buy.

The pay cut was restored in my first year and, before the end of the second, two-thirds of the Income Tax surcharge had been removed. The remaining one-third was absorbed in a fundamental recasting of the Income Tax law and administration which was completed just before I sailed for home in April 1939. To this subject I will return when I describe the financial adjustments incidental to the inception of Provincial Autonomy.

As regard the Customs Tariff, I have to chronicle complete failure to lower its burdens on the consumer, mitigated only by a minor reduction in the ludicrously excessive duties on sugar and perhaps by a slightly increased readiness on the part of the various tariff inquiries to look critically at the statistics produced by applicants for protection. I ought to have done better than this, but there were many other demands upon me, and economic conditions were such that the first effect of a

reduction of duties was bound to be a loss of revenue, and I couldn't afford to wait for the rebound, even though I was certain it would come.

However, I was able to do something for the rural classes by way of subvention. Appreciable sums were set aside for schemes of amelioration in the country districts, to be carried out by Provincial Governments but approved by the Government of India. On top of these were specific grants in aid of the Health Services, for Agricultural Research and for fostering village industries. I was able also to provide for trunk roads and for the development of broadcasting. The last was probably the most successful of all my efforts in this sphere. At a comparatively small cost a chain of ten or eleven stations was set up to cover practically the whole of India. In none of these did the programmes involve the use of less than two languages, and in at least one of them four were in daily use. The prime, and indeed practically the entire credit for this was due to the first Controller of Broadcasting, Lionel Fielden, whose enthusiasm, energy and, I dare to say, genius, overcame obstacles that I really think would have killed any other man on earth. They very nearly killed Fielden who used to go berserk in the face of obstruction, and in consequence called down upon himself enough dislike and hatred to have submerged ten ordinary men, especially from the spinners of red tape and advocates of the good old rule, the simple plan of 'giving the file another flick round'. I daresay he made a lot of his own troubles, for he was the type of man who is invariably 'agin the government'. But I do not know anybody else who could have done so much with so little as Lionel did in India.

Over and above the money I provided for trunk roads, I was persuaded to set aside a fund for building roads in the tribal areas on the North-West Frontier. The settled districts on the Frontier were included in a self-governing Province with its seat at Peshawar. The Governor of the Province was also Agent to the Governor General for the unsettled tribal areas. In these areas there were a certain number of political posts where the representatives of the Government of India kept a wary eye on the vagaries of the predominantly tribal rule, and paid allowances to the elders or *maliks* which had very little purpose except to keep them from making a nuisance of themselves. These

agents were, I suppose, the outward and visible sign of the overlordship of the British Raj, and in addition to paying direct allowances to the *maliks*, they enlisted irregular forces to guard the roads, and slightly more regular forces of 'Scouts' who were stationed at fortified posts here and there on the Frontier. The agents also had a certain function in arbitrating in tribal quarrels and in imposing collective fines on the tribes for offences against the Raj. More often than was comfortable, their influence was inadequate to prevent considerable stirrings and even incursions into the settled districts, or attacks on the Frontier garrisons or on British personnel on the roads. When these incidents occurred the military were called in, and resorted to varying degrees of force. Sometimes only a show of force was needed, sometimes a considerable expedition, and altogether the tribal areas were uncomfortable to live in and expensive to keep in order. When I got to India the soldiers had learnt by sad experience that in these affairs it was no good sending a boy to do a man's work. Consequently they had to be prepared to show force at all times, and overwhelming force at short notice. It was suggested to me that if we devoted a certain amount of money to building circular roads in these wild tracts, two purposes would be served. In the first place, a considerable amount of extra money would circulate among the tribes, both as wages for working on the roads, and as allowances for guarding them, with consequent diminution of the urge to raid and rob in order to supplement the beggarly pittance which was all they could derive from the barren and rocky soil. And secondly, the existence of these strategic roads would make it quicker to send troops to the scene of any trouble, and so reduce the time and expense of restoring order. Seeing that the cost of the Forces represented well over half the total Budget, and that hardly a year passed without some kind of punitive undertaking, I very readily fell for this plan of using a sprat to catch a whale. But for some reason the policy failed, or at any rate it failed to prevent risings and troubles on the Frontier. In the end, therefore, it degenerated into a decision that, whenever such expeditions became necessary, the troops would not withdraw until roads had been built which would make the mountain valleys easier of access in future.

It may be asked why the Government of India never undertook seriously the task of civilizing the tribes. This is a very big question and I remember that Lord Linlithgow went into it at great length in 1938. The conclusion reached was that it would not only involve an agreement with Afghanistan that they should simultaneously civilize the tribes on their side of the border, but also vast expenditure on both sides in developing activities suitable for settled ways of life and in promoting transit routes for trade and merchandise. The funds for any such task were not available. The total revenue of the Government of India at that time was about £60 millions a year, of which £30 millions odd represented the cost of defence. The total of all the Provincial Budgets taken together was also about £60 millions. There was certainly no possibility of finding money to civilize the Frontier in a grand way.

Before I leave the subject of Frontier roads I should like to mention that, when Lord Linlithgow arrived as Viceroy in April 1936, he took the view that the soldiers were looking too much at the North-West and too little at the North-East Frontier. He was convinced that the day would come when the Japanese would establish submarine bases in the Mergui Islands and would attack India through Burma. He wanted, therefore, to build a road from India to Burma over the mountains so that reinforcements could be sent by land instead of by sea. It was a very expensive project and the soldiers wanted all the money they were likely to get from me for other things, and they advised against it. Naturally I was glad enough not to have to find the money, but there have been many times since when I wished I had thrown my influence on the other side.

From strategic roads to military expenditure generally is a short step. At an early stage I was disturbed to think that a country so poor as India should have to spend more than half its central revenue on defence, that included in the cost of this was the upkeep of forty or fifty thousand white troops, and that Great Britain paid only £1½ millions a year for the advantage of having a strategic reserve always at hand in India and very largely maintained on an active service footing. No later than May 1936 I raised informally with the India Office the question

of a larger contribution from His Majesty's Government. As time went on, two factors operated to intensify my belief that such a course was necessary. First there was the knowledge that I would have to assign more and more of the central Budget towards meeting the needs of the Provinces, and secondly, the measures taken to attract extra recruits in the United Kingdom made the individual soldier more expensive, and so tended to increase materially the burden on India of the white troops stationed there. Then as Hitler's design grew clearer, there came the thought that it was very desirable to make the Army in India a more up-to-date and fully equipped fighting instrument against a more dangerous enemy than the Pathans of the Frontier. Up to the time of Munich, our plans met with no success whatever. But in the autumn of 1938 we were given an extra £500,000 a year and the promise of a visiting commission under Lord Chatfield to inquire on the spot into our needs and resources. Lord Chatfield did a thorough job, and he came to the conclusion that India could give up a considerable number of white troops, and still look after internal security and defence against the tribes, while keeping always on a war footing one full mixed British-Indian division, provided that the Home Government made a non-recurring grant of about £30 millions for modernization. The War Office didn't much like this, for they wanted all the money and equipment they could get hold of to modernize themselves, but in June 1939, after I had returned to England and given evidence to the Cabinet Committee, it was decided to accept the Chatfield recommendations. With the outbreak of war three months later this plan had to be absorbed into much broader and more comprehensive financial arrangements between Britain and India. It was a great pity that it couldn't have been clinched earlier. India made a noble contribution to the war effort and the services of the 4th Indian Division will never be forgotten by us. But India sent other divisions overseas, to Singapore and Burma for example, and who can say what difference it would have made if these had been better trained and more adequately equipped?

I now come to the financial measures arising out of the Government of India Act, 1935. This Act, like other Federal instruments, failed to

achieve a clear-cut division of sources of revenue between the centre and the units. Some objects of taxation were left exclusively to the units, while in some there was concurrent jurisdiction, though this overlapping was pretty certain to cause friction in course of time. The remainder were reserved to the Federation, but in the case of some named taxes, the centre was required to assign a share to the units in accordance with a plan to be drawn up after due inquiry. My old friend Sir Otto Niemeyer was given the task of conducting the inquiry and drafting the plan, and he produced a scheme which, in my judgment, solved the problem of securing for the Provinces initial solvency and the prospect of a steadily growing revenue sufficient to enable them to embark on improved social services. The two main constituents in the Niemeyer plan were the assignment of half the Income Tax receipts, and the remission, in some cases, of part, in others the whole, of the Provincial debts to the centre. This second provision very much simplified the accounts, and it was incidentally accompanied by an arrangement whereby the Provinces were for the future to borrow in the open market rather than from the central Government.

This brings me naturally to my Income Tax reforms. I have said that the Niemeyer settlement secured for the Provinces initial solvency plus the possibility of a start with better social services. But more than a start was desirable and for this it was necessary to make of the Income Tax an efficient and steadily expanding means of raising money. This it certainly was not in 1934. The yield was ridiculously small — no more than ten to twelve million pounds a year; the existing law was honeycombed with opportunities for legal avoidance; the administration was often inefficient and sometimes corrupt, so that there was plenty of room for illegal evasion; the graduation of the tax was such that the lowest classes of taxpayer paid too much and the rich far too little; and lastly there were one or two special concessions to the British in India which, however defensible in themselves, were a constant object of plausible attack by Indian nationalists. Two things therefore were necessary — a new Income Tax Act and an overhaul of the machine.

I imported S. P. Chambers, one of the most brilliant of the younger men from Somerset House, to help in both tasks and also with the discussions on the bill in the Legislature. First and last these discussions spread over more than a year. At times they aroused a great deal of controversy and there were occasions when I wondered whether the bill would ever pass into law and whether I hadn't been foolish to embark on so heavy and thankless a task. However, in the end the bill became an Act with the loss of no more than a few tail feathers. Owing to illness, I could not be present on the final day in the Assembly but all parties in the House, Indian or European, went out of their way to compliment me and my lieutenants on our work. I was much affected by these manifestations of the sporting spirit – especially those which came from Indians.

As regards Federation, there were endless discussions and negotiations with the States and the India Office. They occupied countless hours but, as Federation disappeared from the realm of practical politics when war came, they had to be written off as entirely fruitless. An allied subject with which I concerned myself was the need for modernizing the Government of India administrative system so that it would furnish a good basis for Federation when it came. Some changes were made which were useful even before the institution of Federation, but I doubt whether these survived my departure for more than three months. Five years is the normal tenure of a Member of Council. In that time he can introduce reforms but I doubt if it is long enough to ensure their consolidation.

To sum up, I should say that, during my five years, the exchange was preserved in spite of some ferocious attacks on it by all the various forms of Congress agency, open or concealed; that notwithstanding bad world conditions, especially as regards primary products, the credit of India was preserved and even enhanced; that the finances of India were kept in balance after meeting all the claims upon them – whether they were foreseeable, such as those arising from the pledges of my predecessor or the demands of the New Constitution, or unforeseeable, such as the cost of particular Frontier expeditions or that of relief and reconstruction arising from the Quetta earthquake of 1935. Over and above

satisfying these claims I was able to repay a substantial amount of debt and to provide worthwhile sums for social services and rural development. If they could have spoken, I believe the masses of the people would have whole-heartedly approved my policy. It did not please big business and the Congress Party. Every one of my five Budgets was rejected in the Assembly and had to be enacted by the certificate of the Viceroy.

I end this section with some account of the attitude of Congress towards the 1935 reforms. If I am right in my estimate that the defence of Hinduism was the wellspring of Gandhi's being, it is tolerably certain that he must have come to the conclusion that he would have to wreck the new arrangements, beginning at once with Provincial Autonomy. On the other hand, some of his commercial backers told him that the constitution was capable of being exploited to Hindu advantage, and a number of his prominent coadjutors were undoubtedly bitten with the idea of seeing what they could make of being Cabinet Ministers. Anyhow, Congress decided to fight the elections in the autumn of 1936 for all they were worth, and here the ample party funds came in most handy. In the result they secured control of six out of the eleven Provinces, and they were the strongest and best organized party in at least two of the remaining five. What was Gandhi to do with his surprising and, to us, disconcerting triumph?

The Congress Working Committee argued interminably over the question whether to take office or not, so much so that it was clear that it would not reach a decision by the appointed day of April 1st, 1937. Accordingly it was necessary to instal interim or 'caretaker' Ministries in the Provinces where Congress had a majority. In the other Provinces, the Governments which took office were such as could reasonably count on the support of the Legislatures. And still the debate went on. It spread far beyond the Working Committee. Gandhi rather cleverly directed it to the question of the reserved powers of the Governors, suggesting that there would be no real transfer of authority if these safeguards were invoked on all possible occasions, and demanding some official clarification on the subject. As might have been expected, a number of non-official notables rushed into speech or print,

both in India and in the columns of the London *Times* to explain that the safeguards did not mean what they quite obviously were intended to mean, and Lord Zetland, the Secretary of State for India, made a pronouncement which, however hedged about, could only convey the impression that the Governors' powers were not intended to be used except in the last resort, and after all the possibilities of accommodation had been fully probed. So Gandhi got what he wanted. The Working Committee passed a resolution in favour of taking office, but added a rider to the effect that they were doing so solely in order to wreck the constitution from within. Having accepted office, the Congress Governments stayed in it until their concerted resignation just after the outbreak of the second World War. At that time it was the custom to say that, so far from its being wrecked from inside or collapsing through its inherent defects, Provincial Autonomy was progressing very well, that Governments and Ministers were conducting themselves soberly and responsibly, that they were carrying out many useful reforms and that altogether it was a great pity that Gandhi would not let them continue in office and co-operate with the Viceroy and the British in the conduct of the war. There was something in this, but nevertheless it gives much too favourable a picture of events. In all the non-Congress Provinces except the Punjab, there was a considerable amount of intrigue and shifting of loyalties resulting in rapid changes of Ministry, and nobody profited from this instability except the Congress minorities. In other Provinces, Congress Governments stuck steadily to office until the war came and did everything they could to impress the people with the fact that power had passed to them. They promoted this end by putting up a good performance in the Assemblies, by a fair amount of pomp and circumstance, by sending their emissaries down to the villages to show the Congress flag and generally to throw their weight about, by prescribing the singing of the Congress anthem – Bande Mataram – on public occasions, by ensuring that vacancies in Government establishments were filled by their own supporters, and so on. Sometimes they created vacancies by accusing of bribery or peculation policemen or village headmen who were known to have been loyal to the British Raj and to have, in the past, taken a part in putting down 'passive'

resistance or 'civil' disobedience. It was odd how often the accused turned out to be Muslims, and how predominantly the new appointees turned out to be Hindus, but it wasn't at all odd that the Muslims all over India began to have the gravest suspicion of the new reforms and to organize themselves in opposition to the scheme for an All-India Federation at the centre.

Then again, most of the Provincial Congress Governments countenanced, if indeed they did not actually organize, agitations in neighbouring States, ostensibly in favour of a greater degree of democratic practice, but in reality to promote the formation of live and active Congress movements in the States.

As regards the ordinary conduct of day-to-day business in the three largest Congress Provinces – Madras, Bombay and the United Provinces – the Chief Ministers showed considerable parliamentary and administrative skill. Some useful social reforms were carried into law, especially where the cost or penalty of the reforms fell upon persons or classes who had been noteworthy for their loyalty to the British; some not so useful and quite expensive reforms were carried out in order to gratify Mr. Gandhi's quirks – for example the introduction of Prohibition with the consequent loss of a large part of their meagre revenue. Incidentally, there were signs that the Provinces would seek to make up this loss of revenue by intruding into spheres of taxation already occupied by the centre. The smaller Provinces did not make so good a performance. They were not efficient, they were not at all democratic, and there were a number of discreditable incidents.

In the financial sphere I had a good deal to do with the Provincial Governments, particularly the larger ones. There were arguments and differences, of course, but my relations with the Ministers, Congress and non-Congress alike, were cordial and we were able to achieve a certain amount of collaboration. As Finance Ministers Mr. Rajagopalachari and Pandit Govind Vallabh Pant were the star performers in the Congress ranks and Mr. N. R. Sarkar among the others. We even found it possible to have a quite successful financial conference in Delhi under my chairmanship, one concomitant of

which was a friendly and informal and delightfully unconstrained lunch party at our house.

On one occasion there was a more or less concerted attempt to challenge the reserved powers of the Governors. There were still a number of Congress supporters in jail for crimes of violence in connection with Gandhi's last non-violent campaign, and they clearly could only be those whose violence had been considerable in extent. The Congress Governments demanded simultaneously that there should be comprehensive jail deliveries. The Governors, with the support of the Viceroy, Lord Linlithgow, refused, but undertook to continue or even accelerate the policy of releasing from time to time on the customary periodical review of sentences. Two of the Governments resigned; the Congress Working Committee, then in session, debated and threatened. Lord Zetland overruled the Viceroy and proposed a formula which, in effect, gave the Congress Ministries all they wanted. From this moment it was clear that the safeguards of the Government of India Act had been very much weakened. The Princes began to draw back from acceding to the Federation, the preliminary arrangements for which the Viceroy was pressing with great energy. The Muslims swore they would never consent to the Federal part of the constitution laid down in 1935. They went further and began to organize themselves under a banner on which was inscribed Pakistan. This was originally only a dream of the poet Iqbal for a separate Muslim Federation, comprising those States and Provinces where Mohammedans were in a majority. Such a Federation would be of doubtful economic viability and its two proposed agglomerations were separated by more than a thousand miles by land. I don't suppose Mr. Jinnah really believed in it at first, but he was very ready to use it as a rallying cry for Muslims, as an incentive to the organization of a Muslim League which should as fully represent Islam as Congress did Hinduism, and as a means of making himself a leader as important and influential in his community as Gandhi was in his. Clearly we were in for a period of communal and racial division and strife in India. I hold that it was our duty to stay in India until these cleavages had narrowed to the point where Indians really could

agree among themselves. Jinnah himself told me just before I left India that he had spent the whole of his political life hitherto in the belief that Hindu and Muslim could unite in getting rid of the British, but that he had now come to the conclusion that the two communities could never live together in an undivided India without us. Of course the moral he drew was that India must be divided, but I felt sure then, and I am more than ever certain now, that his words were intended to be an invitation to us to stay and keep the peace in India, at any rate for some time to come.

Four months later we were at war, and it was nearly three years before I personally got actively involved in the affairs of India again.

V

India, in the years 1934 to 1939, seemed to be a great attraction to travellers, distinguished and not so distinguished, British and foreign. Most of these came to Delhi and Calcutta and some of them even penetrated to Simla. Among those whose names come readily to my memory are the Earl of Athlone and Princess Alice, King George of the Hellenes, Lord Samuel, Somerset Maugham, Sir Walter Monckton who was Standing Counsel for a number of the rulers of the more important States, Mr. Hofmeyer and General Kemp who were members of an officially sponsored South African mission of goodwill to India. Then there was S. H. Wood, an old friend from the Board of Education, whose report on Indian education was an admirable piece of work which, moreover, received the compliment of having considerable portions of it purloined by Gandhi and his friends. And again there were distinguished scientists who came out to attend the meetings of the British Association in Calcutta – Sir James Jeans, Sir Henry Tizard and Professor R. A. Fisher for example. I recall too Mr. H. V. Hodson, the editor of the *Round Table*, and Mr. Guy Wint whose contribution to a book written in conjunction with Sir George Schuster struck me, both when I read it in 1940 and re-read it in 1946, as the most acute and accurate analysis of Indian problems and attitudes

that has been written in the last fifteen or twenty years. Other visitors were Lord Chatfield who, as I have already mentioned, was sent out by the Cabinet to report on the defence of India, and Dr. Hans Luther, the former Chancellor of the German Reich, then on his way back to Germany from his post as Ambassador in Washington. Dr. Luther came to lunch and stayed for three hours. We discussed Albert Schweizer's book on Indian philosophy and he gave me the then familiar lecture about Hitler having been forced into autarchy by the denial to Germany of access to raw materials. I think his visit occurred at about the time that Gandhi was indulging in a fast unto death at Rajkot, and I seem to remember that the learned doctor did quite a lot of inquiring in various quarters about the amount of disaffection against the British to be apprehended, or perhaps I should say hoped for, in India. Lutyens came too, and I recollect strolling round the gallery of his *chef d'œuvre* after a Viceregal dinner on one of those divine nights in March, when a clear indigo sky studded with gleaming stars could be seen through the open dome. It really was a beautiful sight and I am bound to say that the building fitted in admirably. But was it a little patronizing of Lutyens to point his hand to the open dome and the glowing firmament beyond it and say, 'What a marvellous architect God is!'? Again there was John Foulds, the composer, who was commissioned by Lionel Fielden to study the possibility of some sort of synthesis of Western and Indian music. I remember his giving a concert at which two orchestras, one English and one Indian, played a new composition by him, but the two segments were consecutive, and though they were not at all ill-suited, they certainly were not blended. That was as far as Foulds got, for he died shortly after from one of the manifold diseases which lie in wait for the unwary or incautious in India. And Sir Leonard Woolley who was engaged in a report to the Government on the Archaeological Service was another. Woolley and his wife were fellow guests at one of our Christmas camps, but I think he was even less of a Nimrod than I.

I have left till last our most delightful visitor of all, and that was Lord Lothian. He came to breakfast in our house at Delhi just after he had got back from a three-days sojourn with Gandhi in his *ashram* at

Wardha. His impressions of the man, whom he regarded as a mixture of St. Francis of Assisi and a Tammany boss, were most interesting. Indeed it was a great pleasure to talk with one so full of vitality and such a fund of amusing anecdote and description. Inevitably we discussed at great length the future of India. I took the view that he underrated the strength of the fissiparous forces in the country and that he took too lightly Gandhi's openly professed desire and intention to wreck the constitution of 1935. He was inclined to hold the usual Liberal creed that 'it will be all right on the night', and that the only way of preventing Gandhi or anybody else from destroying the orderly development of self-government on the Western model was to give the new Governments as much rope as possible under it, and not to mind too much if they did foolish or even malicious things. My thesis then, which I have not seen fit to change since, was that complete self-government was not possible until India was fully in a position to undertake her own defence, and moreover that by being in India for two hundred years we had incurred very real responsibilities, for example, towards the minorities. These had been embodied in the safeguards and it was important that we should be seen to mean what we had said, and not to have these reserved powers chiselled away with no more protest or reaction than a shrug of the shoulders.

I shall next try to give some account of our travels in India. Even in five years one cannot see the whole of that vast sub-continent, and I am conscious that there are serious gaps in my knowledge. For example I have never visited Sind or Assam, I have travelled through Hyderabad only by night and in Mysore not at all. I have never been to Ootacamund or Darjeeling, and have not seen Everest. And my experience of Baluchistan is nil. All the same I was able to see a great deal of India and possibly more of it than most of those who had lived there for much longer.

I have already mentioned that I used to visit Calcutta and Bombay more than once every year. I normally, but not invariably, stayed at the Government Houses there. I have also spent a night or more in the Government Houses at Madras, Peshawar, Lucknow, Patna and Naini Tal, and I have visited the one at Barrackpore. In this egalitarian age

do not imagine that anyone is interested in these apices of official life. Nor is it worth while describing the hill-stations of Mussoorie and Naini Tal; they are of the same general type as Simla, only not so big, and there is far less to do in them. And I do not propose to give an account of the military stations at Rawalpindi or Dehra Dun which are well known to generations of soldiers. However, I cannot forbear mentioning, in relation to the latter, the Indian Sandhurst there which was, to my observation, being conducted wisely and efficiently by my friend Brigadier Bell Kingsley, and what is more, in such a way that the cadets could have no excuse for thinking themselves the object of the traditional race superiority of the British (which was shyness more often than not). At Dehra Dun there was also the magnificent Forestry Institute and a lovely avenue of jacaranda trees. Anyone who has seen the jacaranda in flower can never forget the delicate mauve mist or the bright carpet covering the dusty ground as the blossoms fall. If I haven't already said so I might add that the flowering trees of Hindustan are among my most vivid memories. Apart from the jacaranda I remember especially the gold mohur (familiar as 'Flamboyant in Cairo'), the 'Flame of the Forest', and the bohinnea which looks and smells something like a bigger and more highly-coloured honeysuckle.

I shall say little of Lucknow and Cawnpore except that I found the Residency at the former moving and impressive to a high degree, and the memorial well at the latter hideous and revolting. I think I am right in thinking that when I visited Cawnpore, Indians were still forbidden to enter the enclosure surrounding the well. This preservation of the rancours of the Mutiny seemed to me one of the stupider performances of our usually tolerant and kindly race. On the other hand I applauded the simple tradition which kept the Union Jack flying over the Residency at Lucknow day and night. It has now been hauled down for ever and we can expect that in a very few years the place of Henry Lawrence's grave will be quite undiscoverable.

Four or five times during my term of office I took rural tours to see how the Indian lives in his village and how he was dragging a subsistence from the not very kindly earth. For example, we paid a visit

to the village of Domeli in the Jhelum district of the Punjab where our host was Captain Sir Sher Mohammed Khan, a member of the Central Legislative Assembly. Domeli lay under the shadow of the Salt Range and it looked a barren, waterless place, but in this neighbourhood most families contained at least one ex-soldier, so that military pensions made up for the deficiencies of the soil. We were uproariously welcomed as we entered by the narrow village street decorated with bunting and greetings, to the accompaniment of fireworks and a band of two bagpipes, two whistles and two drums. After a stupendous lunch given by our host, to which a large number of the inhabitants of the village were invited and on the outskirts of which most of the remainder circulated, we were taken – my wife in a litter and myself on foot (after declining the services of a frisky-looking mare) – to a large open space where the villagers disported themselves at tent-pegging, wrestling and the like, all performed with great vigour and verve and to the manifest enjoyment of all spectators, including the visitors.

Another trip was a circular tour of the western districts of the United Provinces where, thanks to Sir Malcolm Hailey and his energetic Chief Engineer, Sir William Stampe, some thousands of tube wells had been sunk in order to ensure for the villagers a plentiful supply of water and a material addition to the yield of their crops. When we were there an ingenious device was being tried out for passing the water through soluble fertilizer before it was distributed on to the soil. If one reflects how very small were the holdings of individual peasants and how large their families, one can judge how important these aids to food growing can be. On this day we also visited a power station on the Ganges Canal, where a fall of something under twenty feet in the water levels permitted the production of a supply of electricity to small industries and households over a substantial area.

Then again I paid a visit to Rohtak in the Punjab, a rural district mainly inhabited by Hindu cultivators called Jats, sturdy and martial men who supplied many fine soldiers to the Army. We visited a number of villages and talked (I am afraid at second hand) to the

village elders. My conductor explained that I was the man who had set aside money to help them and this immediately evoked the request that I would have the road to the next village widened so that it would take a bullock-cart – which is a good illustration of Indian shortcomings in the matter of means of communication. Thence on to a school where youngsters were trained for the Army and to some Memorial Homes for retired warriors who had fallen on evil days; and finally, after the usual gargantuan and restless lunch, to a model village where the teaching of the previously mentioned F. L. Brayne in regard to malaria control and the prevention of well contamination had quite respectably been put into operation. There was a crowd of five thousand from the neighbourhood and for their delectation there were tent-pegging, ploughing, lectures on hygiene and – again at second hand – a somewhat embarrassed and unprepared address from the Finance Member of the Viceroy's Council. Then there was a rural band who played on some weird kind of pipe an air which I luckily recognized as 'God Save the King' in time to take off my topi before its conclusion.

Other notable visits were to the barrage on the Sutlej River in and around the State of Bahawalpur, which had turned large areas of desert into quite flourishing communities; and to the Hissar district, where there was a very efficient and successful cattle-breeding station under the control of the Punjab Government. In the latter we toured villages where the average rainfall was no more than eleven inches a year and where existence for the inhabitants was of the most precarious nature. Nobody who goes about in India can fail to be struck with the contrast between town and village. The urban standards of living are much higher than the rural except in times of high agricultural prices, and except for the human flotsam which is apt to congregate in large cities. Nevertheless, the villager always seemed to me a much more cheerful creature than the townsman, and he nearly always had the most exquisite natural courtesy and kindliness.

Sometime in 1935 the Griggs spent a very full day at the All-India Muslim University at Aligarh. This university represented a conscious attempt by the Mohammedans to make up on the long start the Hindus

had gained in the educational world, and it was still very patchy in its standards. In so far as I was entitled to judge, the quality of the teachers in the more recognizably Islamic cultural subjects was high and some of the imported scientific lecturers were of considerable attainments. The laboratories and lecture rooms were spacious and well equipped, but as far as I could make out, the students were not expected to show very high attainments and there was no thought of rustication for failure to pass examinations. However, my impressions were bound to be superficial; the important point was that the Muslims had at last woken up to the value of a literary or scientific education. At the time we visited Aligarh, the Chancellor was the courteous and kindly Nawab of Chhattari, who had at one time acted as Governor of the United Provinces and who has since been the Prime Minister of Hyderabad. Perhaps the feature of the day which is likely to stick with me longest is my attempt to address an audience of eleven hundred in the Students' Union. Before I started I had been garlanded with several thick, heavy and damp ropes of marigolds. I was then carefully shepherded to a particular spot on the platform, and as soon as I was correctly placed, the roof opened and there descended on me torrents of loose marigold petals until I was standing in them up to my knees. I felt my ridiculous position acutely and in consequence made a pretty poor allocution to the students, so much so that I heard, just as I was sitting down, the chairman of the meeting ask the Vice-Chancellor if he should call on my wife for a few remarks. The answer was just, but unflattering: 'Oh! Yes! She's the speaker of the family.'

The Christmas of 1935 we spent with Sir Maneckji Dadabhoy (then the Speaker of the Council of State or Upper Legislature) at Nagpur in the Central Provinces. We were almost overwhelmingly fed and entertained and we were able to see and talk with many of the more educated and therefore politically conscious Indians. For outside occupation we had golf on a course baked to the consistency of iron, a visit to a manganese mine, a picnic to a very beautiful lake, and a long drive into a jungle reputed to abound with tigers and other fauna, but in which we saw nothing more deadly than a butterfly or the ants which build those high mud mounds, so characteristic an

object in Indian forests. Another Christmas we spent at Benares with the family of two highly respected and cultured members (father and son) of the Congress Party in the Assembly. Most of the time was spent in prolonged but friendly arguments, and the only excursions I can recall were to a Buddhist temple at a place, I think, called Somnath, to the burning *ghats* on the banks of the sacred Ganges and to a number of Hindu temples in this, the most holy of all Hindu cities. I thought the temples shoddy and sordid, I was mildly shocked at the clear evidence of the strong phallic elements in Hinduism, and I noticed how pathetically the untouchables peered into the shrines they were not permitted to enter. I had the same general impressions when I visited some of the Hindu temples in southern India, notably that at Madura. The southern Indian temples were much bigger, they had a more definite architectural style and they were covered with ambitious sculpture, but they left the feeling that here was something quite alien to our Western ideas, and also more than a little antipathetic. What a contrast to the effect on the European mind of the Taj Mahal at Agra, of the lovely Pearl Mosque in the Mogul fort there, or the mosque at Fatepur Sikri, the city which Akbar built so hastily and so precipitately abandoned after a few years. About the Taj I suppose everything that could possibly be written has already appeared many times over. Nevertheless I make bold to say two things. It is one of the only two buildings (the other being, of course, the Parthenon) I have known which are so surprisingly beautiful that they bring tears to the eyes, and which have an undiminished effect on the mind and soul on a second or third visit. Secondly, it irresistibly reminded us of the words in the Revelation of St. John the Divine:

> Having the glory of God: and her light was like unto a stone most precious, even like a jasper stone, clear as crystal.

It would be convenient just to touch on here the remains of two cultures in India which are neither Hindu nor Muslim. When we were at Rawalpindi we made an excursion to Taxila and Jaulian. At the former were the remains of a Greco-Bactrian city which was founded by some of the soldiers of Alexander the Great's Army.

There is nothing remarkable about these remains architecturally; the interesting thing is that there should still be traces of the Greeks in northern India. Some of the inhabitants have Greek features to this day, and the sculptures unearthed from the Buddhist remains at Jaulian show plainly the classical influence. There was a very large monastery at Jaulian and numerous hive-shaped *stupas* from which caskets containing jewels and coins have been unearthed, one of them bearing the head of Augustus.

I have reserved for somewhat fuller treatment holidays in Kashmir and the south of India respectively, three shooting camps in the jungle, and a series of official tours in the tribal areas of the North-West Frontier. Our journey to Kashmir was taken in the autumn of 1935 on the way, so to speak, from Simla to Delhi. It was not an ideal time of year, but then it is impossible fully to take in Kashmir in less than three instalments, in spring, in August when the lotus are in flower and in October when the trees are showing the late autumn tints. We went by train to Wazirabad and thence by car to Srinagar via Jammu, the capital of the second of the States of the Maharaja of Kashmir and Jammu. All day we climbed steadily by roads hanging over the Chenab River, the water in which was of the most heavenly blue, while floating down it to Lahore were the tree trunks which had been cut from the forests on the surrounding hills. The first night we slept at a dak bungalow at Batote at a height of six thousand feet. Next morning we pursued an up-and-down journey through a similar kind of wooded hills and valleys until we got to the beginning of a road which wound backwards and forwards across the face of a steep and bare rocky mountain, and which somewhat resembled in appearance and awe-someness that built by the Austrians from Cattaro in Dalmatia to Cettinje in Montenegro. At the top of the pass (called Banihal, and about 9000 feet high) there was a tunnel 600 yards long from which we emerged to zigzag downwards 4000 feet to the Vale of Kashmir. Through this there flowed the Jhelum River which every now and again widened out into extensive lakes. As the well-built road neared Srinagar it was picked out in avenues of poplars with stems of silver lacquer and leaves of green and gold in the sunshine. From afar the

trees seemed to repeat themselves interminably in the clear still water, and few places can have so charming an approach as Srinagar.

The proper mode of life for visitors to Srinagar is the house-boat, and there is a delightful old gentleman named Salama Doono who makes a living by hiring them out and catering for their occupiers. Ours were called 'The King's House' and 'St. James' Palace' and very comfortable they were. By great fortune all the fashionable moorings in Srinagar along the Jhelum were occupied and so we spent our first two nights on the Dal Lake. On the surface of this there are the famous floating gardens, and at the right time of year it is a mass of lotus. Around the shores are a series of Mogul gardens with fountains and flower beds, and the kiosks characteristic of the time of Shahjehan. The best known of these gardens are the Nishat and the Shalimar, but alas! the fountains were dry for all the time we were there, the flowers seemed to be limited to petunias, and there were no houris in the kiosks. From the lake one can see the high mountain ranges which border the valley, the Himalayas on one side, the Pir Panjal on the other. Just as we arrived, the snow had fallen on the latter, and everything stood out clear and white, almost like a drop scene. After a leisurely day or so on the Dal, we started off down the Jhelum for the Wular Lake, the navigation being performed without the aid of rudder, normally by means of poles from inboard, but in crisis, by the help of tow ropes. The crews were largish; where they slept at night I never discovered. Their excitement whenever the boat got into difficulties was intense, and it was accompanied by odd chants and, in the last resort, by calls upon Allah. Most of our comestibles we carried with us, but varied our diet by purchasing a live duck or hen *en route*. One evening a duck escaped and displayed considerable skill in diving under the boat to avoid recapture. Our dinner seemed to be in danger, but the situation was ultimately restored with the help of the chants and the invocations to Allah.

The first part of our journey lay through Srinagar. In the middle distance everything looked bright and romantic. But on nearer view it was disappointingly dirty and pinchbeck. Even the gleaming silver on the temple roofs turned out to be no more than flattened kerosene

tins. After leaving the town, the Jhelum is narrow, placid and willowy, and as we were propelled along it, we were accompanied by flights of kingfishers, halcyons as well as the, in some ways even more attractive, chequer-board variety. The second night we moored near the spot where the river widens out into the Wular Lake. Across this we could see the mountains where the more adventurous hunters go off in quest of the black bear, but as the weather threatened, our frail craft did not venture on the open waters. On the hither side of the lake there were the mud flats where myriads of ducks and other fowl settled at night and where in due season the Maharaja and his guests slaughtered their tens of thousands. Voyaging on the open lake being prohibited, we limited ourselves to a trip in a species of canopied punt called shikara to the village of Sopor, where we were greeted by a letter carrier with our mail. The Indian Post Office is uncannily efficient, especially where V.I.P.s are concerned, and over and over again, men bobbed up in the queerest places to produce our correspondence. Sopor was the end of our journey, and there was nothing for it but to return as we had come, in leisure and comfort, to Srinagar. There we did some shopping with, among others, the curio dealer who rejoices in the name of Suffering Moses; we did our duty by the Residency; we did a little sightseeing in the neighbourhood, and then started back for Delhi by a different and even more circuitous route. The high light of the sightseeing was Gandarbal in the valley of the Sind River. At the end of the valley were snow-topped mountains of about 17,000 feet, with the lower slopes ablaze with autumn colours. Along one bank of the river was an avenue of chenars – a kind of giant maple – with the deep red leaves just turning to gold, and from the other stretched a green meadow which might have been lifted from England.

The first day of our homeward journey lay along the valley of the Jhelum, or rather, along corniche roads hacked out of the rock a hundred feet or so above it. We slept in a dak bungalow at Domel, but unfortunately we seemed to have left some gaps in our protective rings of Keatings powder. A large part of the next day we spent in climbing steeply through a deodar forest up to 6000 feet and down on

the other side to the small but comfortable-looking military station of Abbotabad. From there it was a quick journey on a well-built high road to pick up our saloon at Taxila, and, after another visit to the Greco-Bactrian city and the Buddhist monastery at Jaulian, we dined and went to bed, to wake up next morning in Peshawar. Here we did a certain amount of meandering about the bazaar and the serais which marked the end of the camel caravan routes from Afghanistan and beyond. In the corner of the serais there were large racks for fodder for the camels tied up to them, and we imagined that these were in fact 'mangers' like the one in which the infant Jesus was laid 'because there was no room for him in the inn'. We also ventured into the tribal areas, but they belong to another story. It all seems disappointingly banal in cold print, but the writing of it has brought back at any rate some of the magic, and it has certainly reminded me of Salama Doono who wrote to us for Christmas that year 'saluting the Lady Sahiba with folding hands' – referring of course to that wonderful Indian greeting of the bowed head and the hands together – and proclaiming that his house-boats had indeed been inhabited by Kings.

The tour of southern India took place much later. It began by a railway journey of twenty-four hours to Bombay, and another of nearly the same length to Madras where we stayed two days and one night, visiting Hindu temples, European clubs, and attending a stupendous tea-party given by a rich and kindly Muslim. The next night we spent on the South Indian Railway, but as it was built to the narrow gauge, we couldn't use our palatial coach and were considerably shaken up in consequence. We woke and looked out of the carriage and found ourselves at Dindigul. In my childhood I had been familiar with the ubiquitous advertisements advising all men to smoke Flor de Dindigul cigars but it never occurred to me that Dindigul was a real place and that they did make cigars there. Our immediate destination was Madura where we were hospitably accommodated and entertained by the District Officer. We had time for a longish drive which took in visits to two Hindu temples where we were received by the priests, greeted by processions consisting of elephants and the sacred bull, and made honorary freemen of the temple by having

silken scarves tied round our heads and dipping our fingers in sandal-wood paste. This extreme southern part of India was never comprised in Asoka's empire, and it was never subjugated by the Moguls. It is unlike anything else in India, therefore, and has a distinctive architecture of its own. The larger of the two temples we visited, that actually in Madura, is well known at any rate in pictures – the huge pyramidal tower covered with queer and crude carving, a good deal of it glorifying the processes of reproduction, and the sacred tank for the purification of the faithful – and other temples differ only in being smaller and, of course, less rich in the jewels and sacred cars which are used by the images of the gods on the days of procession.

From Madura we came to Trivandrum on the western or Coromandel coast of southern India. This is the capital of Travancore, a populous, go-ahead and well-governed State. The Maharaja is a strict Hindu; his subjects consist in almost equal parts of Christians caste Hindus and untouchables – the first of these deriving in the main, according to their own tradition, from the original evangelizing mission of St. Thomas the Apostle. The succession to the throne is regulated by some complicated matriarchal system which I never succeeded in fathoming. The Prime Minister of Travancore was Sir C. P. Ramaswami Iyer, an astute, learned, capable and courageous man who, after starting by being Secretary of the Congress Party, has been a Member of the Executive Council both for Madras and British India as a whole. But in his later years he definitely elected to make his lot in the States and not in British India. He is one of the few Indians of whom I would assert that he has an intellect as acute as Gandhi's own. He is also a man of considerable business capacity but without the normal Indian propensity for prolonged haggling. In my experience he arrived quickly at a bargain, and stuck to it even if it turned against him. C. P., as he is widely known, was a man of resolution too, and it is significant that Gandhi was always chary of crossing swords with him.

In Trivandrum we paid and received a number of ceremonial visits, we attended a State banquet given by the Maharaja at which there was an ex-Russian Grand Duchess who, as we afterwards learned,

was much incensed at getting a lower place at table than my wife; and we saw a performance of that extraordinarily skilled and sophisticated Indian dancing with which Udy Shanker and Ram Copal have made the Western world familiar. I confess that, though I admired the proficiency, much of it passed over my head. But then I am one of those rare people who do not like the Russian ballet. On Christmas Day we drove to Cape Comorin, the most southerly point of India. C. P. had a bungalow there and was due to hold a Durbar in the afternoon. Our road lay, of course, through the most tropical part of India where the staple crop was rice, and the supplementary ones sugar, pepper, chillies, castor-seed, coconuts and bananas. On the way, at Nagercoil, we saw some interesting Hindu paintings of the eighth century. India disappears into the ocean most disappointingly – no steep cliffs, no storm-swept trees, nothing but a flat ledge sliding into the still glimmering blue, with an odd palm or two scattered here and there. All the same I enjoyed our day at Cape Comorin. We attended the Durbar at which what seemed like all the adult male population of the neighbourhood came and squatted on the ground, put forward, freely and without restraint, their grievances and desires, and heard the Diwan's replies to them. I wonder if representative democratic Government has been all gain. Anyhow, as I have already said, Travancore is, or was until recently, well governed in spite of the huge problems of its large untouchable population.

We left Trivandrum next day by road to travel northward to Cochin. At the start we passed through cheerful-looking villages where the inhabitants lived by cultivating the crops I have just referred to, but later our way became intersected by those long still stagnant backwaters which are a feature of this stretch of the coast, and here, fishing and the carriage of goods in primitive country boats, plus the shelling of coconuts for copra, seemed to be the primary occupations. Cochin consisted of two parts, an Indian State on the mainland and some islands off the coast which were part of British India. In between the islands and the mainland there is an expanse of water which, if it can be kept properly dredged, will provide a magnificent harbourage even for largish ships.

The development of Cochin was being carried out under a tripartite agreement between the Government of India and Cochin and Travancore States, and in those days it promised well, though silting took place with disconcerting swiftness. One of the islands was the main commercial quarter of the composite town of Cochin, and in it there was a street inhabited entirely by Jews who had kept their white colour, their religion and their commercial sense intact from, I suppose, the time of the first Portuguese settlement. On another of the islands, called Bolghotty, was the Residency, the house of the representative of the Viceroy with the two States. It had been built in the days when the Dutch had established trading posts on the Coromandel Coast and it was picturesque, solid and comfortable, while the grounds had been laid out with all sorts of tropical flowers. I was particularly struck with hedges of hibiscus in which the blooms were so thick that they almost concealed the green of the foliage. A third island had been created out of silt dredged during the construction of the harbour, and already it possessed a modern hotel where a few European planters and engineers danced mournfully in the sticky heat to a jazz band. Civilization marches on!

Three times in our five years we spent a week in jungle camps in quest of tiger, at Ramnagar in the northern United Provinces on the borders of Nepal, at Palamau in southern Bihar, and at Tribeni in northern Bihar, also on the Nepalese frontier. In the first we lived in a forest bungalow, and in the other two in elaborate and well laid-out tented camps. All three involved a considerable retinue of cooks and servants, of mahouts for the elephants and beaters hired locally for the occasion. Apart from tigers, other quarry was permissible, for example, deer and edible fowl. For tigers there were two main techniques. Both involved the tethering of buffaloes at a number of widely separated points the night before the shoot. Early on the actual day, the huntsmen went out to see if any of the buffaloes had been killed, and if so, to discover the exact spot in the long grass to which the tiger had dragged the half-devoured carcasses. Under one method a platform was erected in a tree overlooking the cache, which was to be occupied by the solitary marksman well before sundown.

There he was to remain for the best part of the night until the tiger came to devour the rest of his prey, or until it became certain he wasn't coming. The other involved a large number of elephants. A line of these animals with the guns would be placed on the edge – along a jungle road or a dry watercourse – of a large patch of jungle where from the locality of the kill it could be assumed that the tiger was lying up. A longer line would then be thrown in arc form round the rest of the patch, after which it would beat slowly through the jungle towards the guns who were expected to do the needful as soon as the tiger broke. An alternative form of this second method was to place the guns in stout raised stands or *machans*. I have tried both of these methods but never got a tiger, though on two out of the three occasions, more skilled members of the party had better fortune. On the days designed for tiger, no other game was to be attempted, but on the inferior days it was permissible to shoot at all comers, whether bear or the numerous kinds of deer who inhabited the forest. Sometimes bird shoots were organized for the pot, the driving or beating technique being adopted. The main sport on these occasions were peacock and the swift-flying, highly-coloured jungle fowl who was the progenitor of the modern domestic or barnyard hen. I don't think I ever got a shot at a tiger, I have missed a panther and several magnificent antlered sambhur, but I may once have brought down a peacock. Sitting up in a tree being devoured by mosquitoes and getting pins and needles in one's legs, seeing in imagination all kinds of shining-eyed apparitions and hearing at intervals the barking deer who are reputed to give warning of a tiger's being in the neighbourhood, is a much overrated amusement. But ranging the jungle by day is great fun even if there is nothing tangible to show for it. The sun gleaming through the trees, the mystery of the thick clumps of jungle grass, the sight of the brilliantly coloured birds and of the graceful deer were a delight. I loved too the stolid and unfailing intelligence of the elephants with their methods of pathfinding – pulling down loose vegetation with their trunks, treading down saplings and butting down somewhat larger trees with their armoured fronts. And it didn't matter a scrap that I had achieved no glory as a hunter. I shall never

forget some of the sights and sounds, and especially the gond in the swamps at Ramnagar. These were large antlered creatures who were as much at home in water as on land, and it was thrilling to see them swimming with a kind of snow-white gull perched on their antlers, half a dozen or so to each head. And then at night after dinner, it was the height of well-being to sit in the open around a camp fire made of a wood which threw countless sparks into the air as it burned, and to talk of the day's work or tomorrow's plans, or of friends across the sea, five thousand miles away.

Finally I come to the North-West Frontier in which I made at least three tours. I have already given some general impressions of what the Frontier was and of what its problems were. My first visit in effect started with a night at the house of Brigadier Alexander at Nowshera. Next day we drove to the Malakand, the scene of the campaign in 1897 which prompted one of Mr. Churchill's earliest books. In some ways this is the most orderly of the tribal areas, for it possesses a sizable irrigation scheme, and it abuts on the region where the tribes have been tolerably reduced to order under two Chiefs enjoying the confidence and support of the British Raj. These are the Nawab of Dir and the Wali of Swat. We hadn't time to go into the Swat Valley, but we went on from the Agency in the Malakand to call on the Nawab who gave me a couple of dressing gowns of undressed wool, which were the warmest coverings I have ever known, though apt to become unpleasant when wet or in confined spaces. Dir lies along the road to Chitral, the furthest flung of the military posts in this direction. It was all very peaceful that day, though appearances were probably deceptive because the periodic relief of the garrison of Chitral could be quite a warlike operation. The limit of our progress was the Balambat Bridge over the Panjkora River. Even if on this side the country was as peaceful as it looked, it was very different in the Bajaur lands on the other side. Indeed, into that region the white man rarely if ever penetrated. It was as barren as it could well be, and it extended to the Afghan border and to the equally wild Mohmand country in another direction. From Balambat we went back, but to Peshawar, not Nowshera. The next day we crossed the Kabul River,

past the fort of Shabkadr and along a road which had been driven some distance into the Mohmand country to a village called Yusuf Khel. The Mohmands, unlike the Bajauris who mostly did not venture out of their own lands, were a perpetual nuisance. They were continually raiding and the road had been built in the course of a punitive expedition against them involving some hard fighting. It had probably, however, not been built far enough to be really effective, and there were already signs that the Mohmands were stirring again. The next year the trouble came. Troops were sent in great strength to arrest it under Brigadiers Alexander and Auchinleck. Their objective was to pierce the Nahakki Pass which led to the fastnesses of the Mohmands, and to drive a road through it. There was much bitter fighting, and one humiliating reverse as a result of an ambush made possible by over-confidence. However, in the end the tribes submitted. I happened to be in Peshawar about that time, and I again drove up the Mohmand road, but this time to the top of the Nahakki Pass, whence I could see the flat plain in the mountains which was the last Mohmand refuge.

Our third expedition was the comparatively well-known one via Jamrud Fort, which marked the boundary between the settled Province and the tribal areas, through the Khyber Pass to Landi Kotal, the seat of a regular garrison, and to the post of Landi Khana at the frontier with Afghanistan. This was the country of the Afridis, who were a constant trouble because of their inherent unreliability and their proneness to join the Afghan tribes in making it hot for the British and Indian troops. The pass lay through the wildest and most barren and in places precipitous country, but the road was a magnificent piece of engineering, and in conjunction with a broad gauge railway to Landi Kotal, it was a virtual guarantee that if it were ever necessary to invade Afghanistan again, there would be no repetition of the disasters which had occurred in earlier years. Everybody knows the story of the affair at Jellalabad from which only a solitary survivor returned, and he must have regained British India more or less at the very spot where the Landi Khana post is now situated. On this Khyber trip we were accompanied by the Governor of the

Province who was also the Viceroy's representative in the tribal areas. At Landi Kotal a collection of Afridi *maliks* came to pay their homage, and they brought two live sheep as tribute. The Lat Sahib touched the sheep and said airily 'send them round to my camp', which meant that the *maliks* could take them home again. On the way to the Khyber from Jamrud we found a *nullah* called Jabba Tangi in which there was a spring of water. The *malik* here, I think called Zaman Khan, wanted to get some money out of the Government to develop this water supply into a regular irrigation scheme, and as I was supposed to have control of the money, we stopped at Jabba Tangi to hear what he had to say. He met us with a large yellow motor car and a pipe band purporting to play the national anthem, and escorted us round his domain. We ended up with a lunch in the open air surrounded by a crowd of his ruffians with bandoliers and loaded rifles. The main dish was a pilau and of course I had to go through the normal routine of being helped by our host with his own fingers. Fortunately, however, he did not help me to a sheep's eye! Other ingredients in the meal were green tea, a bottle of warm soda water, and some delicious Kabul grapes. At one point on the Khyber Road, actually within the pass, a side path can be seen to a place called Ali Masjid, somewhat deeper in the Afridi country. This was one of the roads for the development of which I was prepared to pay, and it was designed to open up the area as far as a place called Suleiman Khel. In due course everything was arranged with the *maliks* and work was started, but some internal dispute arose over the distribution of the money; the younger members of the tribes took to shooting up the people working on the road, so that it had to be abandoned. But all this was in the future, in November 1934.

The following day we went further afield. From Peshawar we travelled to Kohat over the pass of the same name, in which the tribesmen have operated for many years a factory for making rifles. They did a roaring trade in supplementing the more usual method of acquiring weapons by theft or murder, and it seemed odd to me that the Government of India had tolerated for so long an institution which was designed in considerable part to promote the assassination

of its servants. The countryside near Kohat and along the road as far as Hangu was well cultivated and irrigated from the Kurram River. From Hangu we went up to a point of vantage whence we could see Suleiman Khel, the hoped for but not to be realized end of our Ali Masjid Road. Thence we went through arid country to Thal, where there was a small fort garrisoned by regular troops and marking the limit of the settled district of Kohat. On the way we passed the hill called Dargai where there had been a famous charge of the Gordon Highlanders in about 1896. I was only five at the time, but I still remember a Piper Findlater getting the Victoria Cross for piping his comrades on, in spite of his having been wounded, and being still under heavy fire. Next we drove through what looked like complete desert via a military depot called Mir Ali to a station in the hills near the border of Afghanistan with the attractive name of Miranshah. Miranshah, which is in the country of the Wazir tribes, was a regular fort manned by a battalion of Tochi Scouts consisting of 800 full-blooded and full-bodied Pathans and five English officers. We dined and slept there, so far as I was concerned, soundly – and I got a better impression of the Frontier than I could have derived from reading all the official brochures ever written. Incidentally I brought away with me one of those horrible-looking knives with which the Mahsud tribesmen stab and slit their victims all in one motion. Outside the fort there were some patches of cultivated ground, but it was still terribly dry and dusty. I think the pretence of fertility was due to the proximity of the Tochi River which, however puny it looked in the dry season of November, did for a few days, during the melting snows, become a torrent, and the tribesmen could, by a little judicious terracing, make use of some of the plentiful but swiftly disappearing water.

In the morning we started off via Boya Bridge (over the Tochi) to a place called Datta Khel, the centre of a most troublesome tribe of Wazirs called the Madda Khel, who were limitrophic with the tribes on the Afghan side of the border and therefore elusive as well as turbulent. From Datta Khel we climbed up a steep and winding but well-engineered road to the 6000-feet platform on which Razmak is situated. Curiously enough, as we got towards the line at which snow lies for an

appreciable time in winter, the vegetation became quite extensive, and the land had a green and smiling aspect.

Razmak has a considerable regular garrison. It is the key point on the circular road in Waziristan which was built as a result of Lord Rawlinson's attempt at the 'Lyautey' policy of civilization in 1921. We spent the night there and I couldn't help feeling what an uncomfortable station it must be — nothing but male military society, very little opportunity of getting away, and the constant fear of an uprising among the tribes, or of being shot at individually from behind a rock. Even in the comparatively peaceful time of my first visit, most of the telegraph wires along the circular road had been cut.

I came again to Razmak in 1937 towards the end of a long and, as I best knew, expensive campaign in Waziristan. The trouble about Rawlinson's road was that inside the circle the tribes could still plot and misbehave to their heart's content, and also arrange very bloody little ambushes of troops and other passengers on the road. In 1936 a Pathan called the Fakir of Ipi, an old humbug who posed as a holy man, but of whose holiness we all believed the spring to be German gold, got hold of the Wazirs and stirred them up. I have a vague recollection of visiting a place called Arsal Kot at the base of a steep mountain honeycombed with caves in which the Fakir had established his hide-out. The troops had gone to Arsal Kot, building a road in the process, to try to overawe the tribesmen there into telling them how to get hold of the old man. They were unsuccessful, nor did Ipi pay much attention to the attempts of the Air Force to bomb bits of the mountain down to submerge his cave entrance — a silly project anyway! The next year the Fakir had got the Wazirs thoroughly obstreperous and an almost ludicrously large expedition had to be sent. One of the main elements of the plan was to drive roads saltire-wise across the circle and to build a strongly fortified post at the intersection. Razmak was one starting point, somewhere in the neighbourhood of Bannu was another, and a third was Ahmedwam; I have forgotten the fourth, but I think it was called Sorarogha. I went with the Commander-in-Chief to Bannu, the headquarters of the expedition, and we drove along most of the circle and the larger part of the cross-pieces as well. Although the

tribes had almost given up the ghost they hadn't quite, and our influential party had to exercise some care. We were accompanied by an aeroplane to warn us of any suspicious movement near the roads, and, what was probably much more effective, immediately behind the armoured car which was leading the cavalcade there was an open lorry literally packed with *maliks*, and if there was to be an ambush they could rely on getting it in the neck.

To complete this section I must mention our solitary excursion outside of India. The higher members of Indian officialdom were allowed one period of leave during their tenure, to involve not more than four months absence. We took our turn in the spring of 1937 and made it the occasion of some sightseeing we had long hankered after. Leaving the 'P and O' boat at Suez we drove across the desert to Cairo to stay a few nights with the Lampsons. We visited the Museum there, the Pyramids at Mena and Sakkara, and made a short trip to Luxor, but I found ancient Egyptian relics and buildings far less enthralling than the Greek. Next we picked up an 'Orient' liner at Port Said, and embarked for Naples whence we took the train for Palermo. The period was just after the end of our Abyssinian humiliations and we could discern that the Italian population had, at any rate in the towns, reacted with the due amount of zenophobia to Mussolini's propaganda against the 'blockading' powers. All the same the Duce couldn't have been too comfortable about the loyalty of Sicily or indeed of southern Italy, for his agents had plastered walls and hoardings with tributes to his more than Papal infallibility and with assertions of Italy's Imperial destiny. 'Mussolini never makes a mistake', 'Mussolini is always right', 'We are dreaming of a Roman Italy', 'The Mediterranean is an Italian sea' – and so on! From Palermo we made an excursion to Segesta and Mount Eryx and then went by road across the island to Agrigento where we spent four days. Our next stopping place was Syracuse – where we occupied ourselves in tracing the course of Nicias's tragic expedition – and after that Taormina. On the whole the classical buildings, with their limestone and stucco, were a disappointment after the gleaming marble of the Acropolis and Sunium, but nothing could be lovelier than the view of Etna from the theatre at Taormina. Incidentally we saw there a

production of the 'Cyclops' in Italian, which we enjoyed as much as our poor store of the language would allow.

While we were at Palermo I saw, tucked away in a corner of an Italian newspaper, the news of the sudden death of Philip Snowden. Two nights before I left England for India in 1934, I had gone to say goodbye to the old man in Carlisle Mansions. Having been ostracized by most of his former colleagues of the Labour movement, and having in addition failed to find a resting place in the bosom of the 'National' Government, he had become a lonely man. He was all the more glad to see me therefore and we talked of the old battles and of their disappointing issue. As I rose to go he said, with almost the first display of emotion I had ever known from him – 'Goodbye, I shall never see you again.' And so it was. If we hadn't dallied in the Mediterranean I might just have had one more talk with him. There in Palermo his death called up many memories and all my admiration. I thought then and I think more strongly now that our country would be the better for one or two more of his kind – sternly upright, supremely courageous and yet with a latent kindliness and charm which few could surpass.

From Taormina we returned to Naples, where we did the more obvious things – the Museum, Pompeii, Herculaneum, Paestum and the top of Vesuvius – and whence we sailed for the Riviera and the Blue Train home. In London we spent our time in renewing old friendships, in numerous theatres, concerts and dinners and in whatever official contacts were necessary or expedient. I spent one night with Mr. Churchill at Chartwell. We could not have failed to discuss rearmament, particularly in view of the efforts I was then making to induce His Majesty's Government to provide some money to accelerate the modernization of the Indian Army. Winston had fought the Government of India Bill up to the time it became an Act. As soon as Royal Assent had been given he dropped his criticism entirely and turned his attention to the growing threat involved in the German rearmament. Here too his was a lonely voice. I have recently read the complete collection of his speeches and articles on the subject, and in the light of events it seems incredible that his prophecies and warnings

should have been so little heeded. When Munich came I was back in India. I was a passionate sharer in his anger and grief over this searing humiliation. From five thousand miles away the proceedings of the Government seemed shameful in the highest degree, and the jeers of the Congress politicians about the manginess and cowardice of the ageing British lion were very hard to bear.

VI

It is justifiable, I think, to take a look at what has happened in India since 1939, but first I should like to bring together in one place a short account of what I have felt about the problems of that country since I first became concerned with it.

When I went out to India I would have called myself a Liberal. Certainly I had swallowed the prevalent doctrine that what India needed was gradual initiation into self-government on the Western representative model in accordance with the best traditions of John Stuart Mill. I accordingly thought that the diatribes of Winston and Lord Lloyd about the White Paper were misguided. Arrived in India, I began by tending to favour the Hindu view rather than the Muslim, simply because Hindus formed the great majority of the population. And I still remained a Liberal when in 1935 I began to have to fight each day in an Assembly dominated by the overwhelmingly Hindu Congress Party. But I very soon became an Imperialist too, for I saw that the only unity India possessed was that imparted to it by the British, and that, in spite of everything, we had rendered the lot of Indians far happier than it had been under earlier dispensations. I daresay I was helped in this direction by the recognition of the Tammany and totalitarian propensities which were the all too plain accompaniments of Gandhi's control over Congress. I disliked intensely the narrow and selfish capitalists who provided his funds and shamelessly indented on his support and, as I have said previously, I was outraged by the libels upon the British and Indian soldiers at the time of the Quetta earthquake. My personal relations with most of the Congress leaders continued to be easy and

friendly, but I disliked the organism and its policy of separation, so much so that I remember once telling Pandit Nehru that if I had my way I would fight to keep India inside the British Empire, which I envisaged as the only conceivable nucleus of sanity and brotherhood in a world of hatred and strife. I was all for the development of a self-governing India, but I wanted the process to take place in a manner consistent with the retention of the link with Britain. Needless to say, the strategic interests of the Commonwealth were an important element in this conclusion. But I do not think it was the most important. Nobody can deny that our lifetime has seen a growing antagonism between East and West. Somehow or other the East and the West have got to be reconciled. Alexander the Great tried to effect this reconciliation more than 2000 years ago. In a way the work of the British in India was an attempt to achieve the same thing. Alexander realized that the West would have to take something from, as well as giving something to the Orient, and I believe this is still true today. The Occident is growing terribly materialistic, and Gandhi's qualms have that much justification. On the other hand, in spite of all the accretions and impurities of popular Hinduism, India's outlook is still largely spiritual. I have heard Indian friends of mine – some of them keen members of Congress – proclaim that a union between India and Britain is necessary for both of them, and for the world also, if it is to be preserved from blind godless materialism. This is in effect, the thesis put forward in the very remarkable *Essay on India*, written by the late Robert Byron in 1931. I agree with it and that is why I feel so strongly about the virtually complete severance which has now taken place.

I hope I have made it clear that I was a convinced believer in India's ultimately obtaining full Dominion status. I confess that I didn't want the ultimate result to be achieved too quickly, possibly even for a generation. In the first place I thought it would take at least that time for Indians to be able to agree among themselves. Secondly for many years to come India would not be in a position to assume the entire responsibility for her own defence. Then again I wanted the English to stay in India long enough for the voyage as a Dominion to start off

free from the suspicion of patronage and race superiority which has done so much to poison relations ever since the Mutiny. And further I wanted us not to leave until the rural masses had become more politically conscious, and in a better position to resist the exploitation of the *bania* and the urban classes generally. Above all, I hoped that in a generation the seeds of freedom and equality which the West has so unthinkingly planted would bear fruit in a disappearance of the more unlovely features of the caste system, and so make possible a real working synthesis between East and West.

Such was my position when I arrived back in England in April 1939. Shortly after, I was asked by Lord Lothian whether I did not think that the only possible policy was to persevere steadfastly with the constitution of 1935. I fully agreed and went on to say that for my part I would make no attempt to change it so long as Gandhi was alive. The old man was a wrecker, he wanted to extrude the West altogether from India; with his unique combination of saint and Tammany boss, he was out of proportion and distorted the whole picture, and after his departure I felt sure that a better solution – better for all – would be practicable and even probable.

Then came the war. Everybody knows how Gandhi immediately pulled all the Congress Ministries out of office and threw the whole burden of the country at war back on the Viceroy and the Governors. It has often been said that if Lord Linlithgow had done something he didn't do, or done something else than he did, things might have been different. I do not believe it. With his doctrine of non-resistance, Gandhi could not have acted otherwise. Besides, he was biding his time to take advantage of any chance or mischance that might turn up. Surely enough the chance came. For the first two years, India was reasonably quiescent internally. The war did not come near her borders; she made handsome profits on her raw materials, and she was given remunerative orders for munitions and stores; some of her crack divisions were sent abroad to the Middle East, and large numbers of extra troops were enlisted and trained in their place. There was more money flowing in India than ever before. But then came the entry of Japan into the war. Not only did their early successes lower the prestige

of the white races enormously, but with the fall of Singapore and the invasion of Burma, Gandhi and his inner circle were bound to envisage the possibility of the arrival of the Japanese in India. They did not want to get themselves involved in resisting the Japanese for the purpose of aiding Britain, for Gandhi almost certainly thought that Hinduism would be safer under Nippon than it would be, in the long run, under any Christian power. Some of the Congress Party, however, including I believe Pandit Nehru, undoubtedly wanted to fight, if need be, the invader of their homeland.

It was at this time that I became Secretary of State for War. India was one of the first things to come under consideration after I joined the Government. President Roosevelt had a personal emissary in India, and it was known that he was anxious that His Majesty's Government should make some political gesture to India. I took the view that no gesture would be of use and no settlement possible so long as Gandhi lived and that the proper course was to ride out the storm. Others thought it important not to affront the President and American public opinion at this early period of their active belligerency. Out of the discussion there emerged the idea of the Cripps Mission. The essence of the offer which Sir Stafford took to India in 1942 was to concede full Dominion status (with all its implications) on the basis of any agreed plan to be produced by any form of constituent assembly *agreed upon by Indians*, provided always that the plan included the right of any Province or State not to accede. The British obligations to the Princes and others – not, however, including British commercial interests – were to be regulated by a treaty rather on the lines of the Irish Treaty of 1921. Once this part of the offer had been accepted by the principal Indian elements, Sir Stafford was authorized to discuss with them the possibility of inviting representatives of political parties to join the Viceroy's Executive Council under the existing constitution, with a view to their sharing in the conduct of the war so far as India was concerned. If I remember aright, none of the major parties in India declared themselves on the first part of the offer, but Sir Stafford thought he had got enough encouragement to embark on the second part with the Congress leaders, particularly Pandit Nehru. The

negotiations here took the form of Congress trying to get as near as possible to extracting assurances that the Viceroy would, in effect, act as a constitutional monarch and would not exercise his undoubted powers of overriding his council. Exactly what assurances were given I cannot say. I know that some of us were afraid that our mission was getting into a false position. It was understood that the Congress Working Committee was disposed to come to an agreement, and it was generally supposed that, if it did, Jinnah and his Muslim League would follow suit. However, Gandhi, true to his immutable principle of wrecking, insisted on the Working Committee rejecting the offer, whatever it had by that time become – and it is to be noted that Congress leaders later said that they were originally misled about the true content of the plan. Thereupon, Jinnah, to show himself a good Indian Nationalist, had to reject it as well.

Meanwhile the Japanese had overrun most of Burma and had raided Ceylon and even southern India. Gandhi thought it safe to initiate a fair-sized rebellion against the British in August 1942. But we were not dead yet, the Japanese were stopped, the rebellion was broken, though not before some very nasty acts had been committed to the glory of non-violence, and Gandhi and his principal supporters were arrested and confined to varying degrees of durance vile. None of the degrees was other than mild, Gandhi's own consisting of nothing worse than being held *incommunicado* in the Aga Khan's palace surrounded by his own staff, devotees and medical attendants. India was back on a period of unconcealed British rule – though the great majority of the instruments of this were inevitably Indians. So things remained until Viscount Wavell succeeded Lord Linlithgow as Viceroy in the autumn of 1943. In the discussions which took place in London before Lord Wavell actually took up his office, some of us were perturbed to discover that he had already acquired a firm conviction that he was ordained of Heaven to bring about a lasting settlement of the Indian problem, and in spite of all we could say or do, this Messianic belief remained with him. Another thing which I noticed – and confirmed from some of my friends who had thirty or forty years of public service in India – was that he seemed to have insufficient appreciation

of the fact that the ninety million Muslims were becoming as highly organized as the Hindus under Gandhi's Congress, and further, that our policy towards these Indian Muslims would affect the attitude towards us of that chain of Islamic peoples from Kabul to Cairo and Constantinople. Luckily, Lord Wavell had too much to do on his arrival in India to permit of any early embarkation on a new political *démarche*. His first duties were clearly to foster India's war effort to the highest of which she was capable, and to promote as far as possible the economic welfare of the masses of the people – and with the disappearance of Burma, Siam and Indo-China as sources of imports of rice, this was of the utmost importance. Only after these need he concern himself with the chances of a political 'New Deal'.

For a year Lord Wavell did in fact find that his first two assignments occupied his whole attention, but late in 1944 or early in 1945 he revived his original design of making some further advance towards self-government, and in the end he insisted on coming home to press it on the Cabinet in person. The visit was well timed from his point of view. Mr. Churchill was getting himself involved in the venture of appealing to the electors, and notwithstanding grave misgivings on some of our parts, Lord Wavell got his way. He called a conference at Simla and put forward his plan under which the Executive Council, while preserving the framework of the existing constitution, should, as an interim measure, consist (except for the Viceroy and the Commander-in-Chief) entirely of Indian political personalities – the Muslims being guaranteed equal representation with the Caste Hindus. From the resulting *agape*, it was hoped that there would emerge an agreed plan for a Constituent Assembly to determine the future constitution. Congress gave a not altogether unequivocal acceptance of the scheme, but the Muslims, in spite of its superficial generosity and attractiveness to them, rejected it, and the only result of the Viceroy's move was a great increase of communal unreason and bitterness.

From here on I knew no more of events in India than any other member of the public. Repeated attempts have been made to secure by agreement an independent but united, if federal, India and always the objective has eluded us. In the end we declared our intention of

clearing out in any event by the 30th June, 1948, hoping that by that date some authority or series of authorities would be in a position to take up the burden we were casting down. Then Lord Mountbatten, who had succeeded Lord Wavell, managed to persuade the leaders of the three principal communities to accept partition. Pakistan was to become an accomplished fact, but each of its widely-separated elements was to be itself partitioned. Both Hindustan, or India as it was now to be called, and Pakistan were to start off at once as Dominions though their Constituent Assemblies could take them out of the Commonwealth if they felt so disposed. The States were left free to join or to be coerced into one of the new Dominions or, if they felt vigorous enough, to pursue a completely independent existence. And so on August 15th, 1947, the Viceroy, a great-grandson of the first Empress of India, abdicated to the accompaniment of ghastly rapine and murders in cities and villages near the borders of all the disputed areas. It is true that, for a time at least, two new Dominions have emerged and that the last Viceroy has consented to become the first Governor-General of one of them. It is true also that a crowd of broadcasters and journalists have given highly-coloured flamboyantly self-congratulatory and pseudo-emotional accounts of the actual ceremony of 'giving India its Freedom'. But what does the 'Freedom' amount to?

By all accounts the administration of India has virtually broken down, that of Pakistan has not been created; the *Pax Britannica*, the common system of law, the protection of minorities, has given way to violence and murder on a scale unknown for a hundred years. Under the devoted and impartial sway of a few thousands of Britishers, India enjoyed peace, unity, freedom from famine, and conditions in which a doubling of the population did not prevent a relative increase in the standard of living of the mass of the people.

Now the Union Jack no longer flies, India has two flags of her own and she can pursue whatever divided future the fates have in store for her. I have caught myself over and over again wondering how it was that Gandhi was ever brought to acquiesce in partition. It is an odd outcome of the life's work of one who has preached the sacred and indivisible 'Mother India'. It is possible of course that he has not at all

acquiesced, that he hates what has happened but has been pushed aside, by his former disciples, in particular by his foster-son Pandit Nehru, in the face of disagreeable necessity. I find it hard, however, to believe that Gandhi's word has lost any of its binding force and I am driven to wonder whether the acquiescence is not deliberate but very temporary. By it the Hindus have secured an earlier British evacuation. In a few months the last trace of our just and beneficent guidance will have gone. Then the Hindus will be free to pursue a policy of recovering 'India Irredenta'. If this is their policy all that has happened in the last two years will be as nothing to the terror and bloodshed that will come upon India in a few months from now. And we can reasonably assume that if this happens Soviet Russia will before long take up the task of pacification and unification that we have thrown aside. Then at last the virtues of British rule will be fully appreciated.

NOTE.—This chapter was written before Gandhi's assassination, but I have left it unchanged. It is ironical in the last degree that the crime should have been committed by a Hindu. Exactly what lay behind it we do not yet know, nor what its ultimate consequences are likely to be. Mercifully the first effect has been to shock both Hindus and Muslims into a measure of mutual forbearance.

CHAPTER EIGHT

WAR OFFICE

WHEN I went to India I was given the option of retiring on proportionate pension at the end of my five-years term as Finance Member. If I did not exercise this I was to have the right of appointment as Permanent Secretary of one of the first-grade Government Departments. I left England in 1934, having, as I thought, been given reason to assume that, when I came back, I should succeed Warren Fisher as Permanent Secretary to the Treasury, and, during my leave in 1937, I heard nothing to indicate that such an expectation was no longer valid. But, about three or four months before my Indian sojourn was due to terminate, I was informed that Sir Horace Wilson was to succeed Fisher, and that I could have my choice between the War Office and the Colonial Office. Neither of these was much in my line, at any rate under peace-time conditions, and I was strongly tempted to take my thousand a year or thereabouts and seek a new career. On reflection, however, it occurred to me that war with Germany was probably inescapable and I knew that, if it came, I shouldn't be able to keep out of it. So I decided to accept the War Office. Sir Herbert Creedy was not expected to retire till October and in the meantime I was placed on the establishment as a supernumerary and, over the next four months, Creedy gradually handed over to me all the functions of the Permanent Under-Secretary of State.

In the short interval between my return from India and starting work in the War Office I paid a visit to Winston at Chartwell. He was gloomy enough in all conscience, but I had thought that I should find him much more upset than he was over the recent German occupation of Prague. His answer to my expressed surprise was simply, 'One cannot break one's heart more than once.'

A few weeks later I was spending a week-end with Lord Lothian at Blickling. The house-party was assembled for the purpose of a discussion on 'Federal Union', but what I was doing in that galley I could

not understand. An even more incongruous guest was Dr. Brüning, the ex-Chancellor of the Reich, who had been compelled to leave Germany after Hitler came to power. The Doctor showed some impatience with Federal Union, and asked if we did not realize that the die in favour of war against Poland had almost certainly been already cast, that Hitler was sure that even this would not make us fight, and that the one remaining chance of convincing him to the contrary was the immediate inclusion of Mr. Churchill in the Government. Most of us were pulled up with a round turn and some of those with political influence approached Lord Halifax to see if anything could be done about it. But nothing was done, and war duly came a couple of months later. When it came Mr. Churchill was at once invited to join the War Cabinet!

The main impression left on my mind of the War Office of these immediate pre-war months is one of considerable confusion, but confusion which was in large measure pardonable. For most of the period of rearmament from 1936, planning had been on the basis that no contingent from the British Army would be sent to the Continent and that its role should be confined to the defence of the United Kingdom and of the outlying regions of the Empire. The former was viewed as in the main an anti-aircraft problem, while the latter was predominantly a question of finding garrisons from the Regular Army. It was not till 1939 that a Continental land commitment was accepted, and that started by being no more than two divisions, though it was quickly raised to four. Nevertheless it was obvious that, if war came, we couldn't stop at four divisions, and in March it was decided to double the Territorial Army, while only a month later compulsory military service was introduced. These two decisions were not perhaps conflicting but they certainly were overlapping and unco-ordinated. Then the Government announced its intention to set up a separate Ministry – of Supply – to produce all the equipment for the Army, and this was scheduled to open its doors on August 1st. At the time of my arrival in the War Office the process of splitting up staff between the two departments was going on and it was proving to be very

difficult, especially in view of the fact that many individuals had been doing highly-specialized work, which now was to fall partly in the sphere of the War Office and partly in that of the Ministry. The functions associated directly with the production of weapons were henceforward to be discharged by the new Ministry. But what of the rest of the tasks performed in earlier days by the Master-General of the Ordnance in the War Office? The Secretary of State saw no reason for the continuance of this functionary; indeed he had turned him into a Director-General of Munitions Production some time previously. He concluded that the right course was to allot to the Quartermaster-General the distribution of finished warlike stores and to the General Staff questions of what may be called equipment policy, meaning in effect the prescription of the kinds of articles which were to be produced and of the numbers of each the various types of unit or formation would need to have. The General Staff were in the process of creating new branches to carry out their additional responsibilities and they were doing it largely from inexperienced personnel, because of the impossibility of cutting living beings into two or more segments.

As the crisis approached, other complications were seen to be unavoidable. It was known that if and when war actually came the War Office and the Army would have certain jobs to perform, jobs for which careful preparation had been made beforehand. The first was to recall reservists to the Colours and to their assigned places in the various military organisms. Some of them would help put flesh on the very large anti-aircraft skeleton; others would go to the units earmarked to make up the first Expeditionary Force. When I joined the War Office plans were in existence for the dispatch of two complete divisions to France and these included the arrangements for allocating the reservists and for taking up civilian transport, and time-tables for the movement and embarkation of personnel and stores. Revised plans for the immediate dispatch of four instead of two divisions were being drawn up, but these wouldn't be ready before September 1st. What then if the emergency came just before that date? The second requisite was the embodiment of the Territorial Army. Large numbers of its members were already formed into complete units, which could

go bodily into the anti-aircraft defences or to the non-regular divisions of the Field Army. A third necessity was to get legislation passed authorizing the compulsory registration and calling up of whole age groups for the armed forces. Men recruited under this would, in conjunction with the partially-trained militia already with the Colours under the Conscription Act of April 1939, provide the wherewithal to fill gaps in existing units and formations and to permit the creation of new ones. Now the war-time National Service scheme prescribed the exemption of men in reserved occupations, by which was meant those who were absolutely necessary to munitions production. But the Territorial Army contained forty or fifty thousand of such individuals and there was no mechanism in existence to prevent their being called up with their fellows on the proclamation of an emergency. All that could be done was to sort them out after mobilization and then release them, either for a specific term or indefinitely. As they were more often than not the most active and best trained of the Territorials it can be imagined what a loss they were going to be and what dislocation the process of combing them out would produce.

War came on September 3rd and so one of the possible complications did not materialize. The mobilization of the Regular Army, the embodiment of the Territorial Army and the embarkation of the four divisions were carried out with what seemed to me astonishing smoothness considering all the things that could go wrong, and arrangements were put in hand for calling up extra men. As a result of all this I came to the conclusion that the Army machine was much better than good and that the then Quartermaster-General, Sir Walter Venning, was in the front rank of administrators. It would perhaps be fair to say that the Army was a little given to over-insuring and consequently somewhat extravagant in the use of manpower and materials. But I never knew it to break down on a purely administrative job. The War Office too, as apart from the Army, was very much more efficient than the hoary music-hall jokes of tradition would have led one to suppose. It had some defects, one of which was due to its somewhat too extended horizontal structure, under which co-ordination could only be assured at the very top, namely in the person of the Secretary of State. Another

fault was the long-standing hostility between the soldiers and the frocks, as Henry Wilson had christened the civilians. A third was the definite weakness in the strategic or operational sphere, and in the realm of weapon policy and procurement. This weakness owed something to a change in the person of the C.I.G.S. at the outbreak of war. Viscount Gort who had filled the post for two years was appointed to command the B.E.F. and General Sir Edmund Ironside reigned in his stead. No doubt the new incumbent had many qualities and qualifications, but precision of thought and an orderly mind were not among them. Nor did he seem to me to have much idea of running a large machine.

Two of our minor worries in those early days were the obligation of keeping up to date plans for the evacuation of London in the event of heavy bombing, and the large camp-building programme we had on our hands. The latter had been hastily put in train on the passing of conscription; shortages of labour and materials soon developed and in consequence we had all the difficulties and scandals invariably attendant on any sort of inflationary process.

It very soon became clear that the French wanted us to accelerate the dispatch of troops to the Continent and to raise our ultimate contribution to the utmost. A high target was set for expansion and enhanced demands were made upon the Ministry of Supply accordingly. We wanted from the Ministry the prompt fulfilment of the large current anti-aircraft programme, and the production, as quickly as possible, of ground equipment suitable to a defensive or possibly even static role in western Europe for thirty, forty or even more divisions. There was only one armoured division in being (though others were in course of creation) and this was equipped with comparatively thin-skinned and lightly-armed tanks. Both as regards armour and armament there was no agreed tank policy and it cannot be said that any models were in all-out production. The field-artillery weapon, the 25-pounder, was admirable, though to begin with many of the pieces were merely bored out 18-pounders.

At quite an early stage, in October 1939 in fact, a step was taken which solved many of our problems of liaison with the Ministry of Supply. Mr. R. J. (afterwards Sir Robert) Sinclair was appointed

Director-General of Army Requirements. His nominal assignment was to make himself the sole channel for placing orders on the Ministry and uniquely responsible for following up the orders when placed. But he enlarged this into the general purpose of creating coherence and tidiness in an area where there was excusably much initial, and less excusably some continuing, confusion. He was able to ensure that the War Office spoke with one voice to the Ministry and that good relations were created between the two. Being a member of the Supply Council he could make certain also that the Ministry fully appreciated the character and urgency of the Army's needs and their relative priorities. Later on he was made a full member of the Army Council in recognition of his work which, to my knowledge, was of the utmost value to the Army and the country. Later again he became the Chief Executive of the Ministry of Production.

As equipment flowed out of the factories the first charge on it was to ensure that the necessary minimum was available for training all the units and formations in existence. After that, the most forward divisions would be filled up to full active-service scales and as each division came within sight of this objective it was sent off to France. I doubt if training was in all cases adequate to an active fighting role and indeed in some respects it probably showed signs of having been influenced by the valetudinarian habits of the inter-war years. But we were in the 'phoney' war period and the expectation at first was that this would be succeeded by more or less stationary defensive operations, so that there would be plenty of time to harden the troops after they had gone overseas. Unfortunately when the time came it had been decided to move forward into Belgium where the troops had to help meet an all-out attack in circumstances where their allies on either flank were unable to hold their ground. A very much harder task was therefore thrown upon the British troops than had ever been contemplated.

By April 1940 there were eleven British divisions in France. Sir John Dill and Sir Alan Brooke commanded corps; Major-General Alexander commanded a division under the former, and Major-General Montgomery one under the latter. In that month the Germans invaded Norway, using as an excuse our far too much advertised

concern with the Swedish iron mines at Gallivare and the Norwegian port of Narvik which was the Atlantic outlet for the ore traffic. They quickly occupied Oslo and the ports of Bergen and Trondhjem. A small British force was hastily improvised to recapture Trondhjem and another to occupy Narvik. Later the Navy advised that it was not possible to secure the former by a direct assault from the sea and so a plan to pinch it out by converging land attacks was substituted. The Trondhjem expedition was divided while actually at sea and its two fragments were sent to Namsos and Aandalsnes respectively. Neither of these succeeded in establishing a footing. How could they have done, seeing that they had no air support and that the Norwegians were in no position to help them? Both accordingly had to be re-embarked. The other force invested Narvik, captured it after about 6 weeks, blew up its port installations and returned safely to the United Kingdom.

The sorry results of the Namsos and Aandalsnes ventures caused great discontent with the higher direction of the war. Mr. Chamberlain sought to provide some all too necessary support for Ironside by bringing Dill back from France as Vice-C.I.G.S. But the critics had a more significant objective and very soon the Prime Minister himself resigned, to be succeeded, after suggesting that Lord Halifax should take his place, by Mr. Churchill. In the new Government Mr. Eden became Secretary of State for War. Meanwhile the Germans had invaded Holland and Belgium and carried all before them despite the fact that the French and British forces had moved to the support of those countries. Very soon France was assaulted and to our alarm showed no signs of making any effective resistance. I well remember our dismay in the War Office on hearing news day after day that the French Army was continuously retreating almost without a serious fight. It may be that our diplomatic representatives and our military missions had warned His Majesty's Government that there was something wrong with the French morale, but if so I never heard of it. I do remember seeing a report of a conversation somebody had had with M. Blum as the Germans were nearing Paris, the burden of which was that his country would quickly give up the ghost once it turned out to be impossible to hold the capital. In any case, after the fall of Paris, the B.E.F.

was compelled to take an independent course back to Dunkirk from which it got away in an infinitude of small craft with comparatively light casualties, but with the loss of all its heavy and a lot of its personal equipment. At the time of the withdrawal two out of the eleven British divisions were south of the Somme and General Brooke was sent back to take charge of them in an effort to prolong French resistance. But M. Blum was right and our allies very soon concluded an armistice with the Germans. General Brooke's forces got away from Brest and Cherbourg, likewise leaving most of their equipment behind.

At the end of May, Ironside became Commander-in-Chief, Home Forces, to take charge of the measures which we now clearly had to improvise against the possibility of German landings. Dill was promoted to be C.I.G.S.

Reserves of stores and ammunition for the eleven divisions had been accumulated in France, chiefly in the Nantes and St. Nazaire area. When the French collapse showed itself to be imminent the War Office started pulling these out, but their orders were countermanded by Mr. Churchill who refused to abandon until the last moment the hope of resuscitating the spirit of that nation. At the end of this foreign venture the divisions were all back in England, virtually unarmed, completely disorganized and with the bonds of discipline very much weakened by their experiences. Add to this that there was insufficient camp accommodation to house all the returned men. Private property had to be requisitioned on the largest scale, and the carelessness and in some instances wantonness with which it was treated was a sure indication how near to breaking point discipline had come. The Army had to be sorted, organized and trained for a role entirely different from that for which it had been prepared in the years up to 1940. On our then scale of domestic munitions production it would be many months before the bare minimum of equipment was available. And we had to assume that within a few weeks there would be a determined attempt at invasion. Whether there were invasion or not, there was certain to be heavy bombing and it was inevitable that there should be intensive attacks by submarine and air on our merchant shipping.

II

For the next year we were alone except for our own kith and kin. Already there were Canadian, Australian and New Zealand divisions in the United Kingdom but we had no other help and, apart from our perils at home, we had to reckon that the Italians would threaten the defences of the Suez Canal zone. It should also be borne in mind that all our supplies from the United States, whether food, raw material or finished weapons, had at this stage to be obtained on a 'cash and carry' basis. In these alarming circumstances what was done? First and foremost came the Prime Minister's magnificent speeches which caught the mood of invincible resolution among all classes and heightened and transmuted it into the manifestation of 'our finest hour'. The moral and spiritual appeal did not fail of its correlative physical action. Mr. Churchill, as Chairman of the Military Co-ordination Committee, even before he succeeded Mr. Chamberlain, had clamped down approval on those models of tanks which could most quickly be produced in substantial numbers without too much regard to their intrinsic qualities. Mr. Eden seized the opportunity of the exaltation of the country to call upon the older men and those in reserved occupations for part-time service in the Home Guard. Volunteers came forward in their hundreds of thousands, though there was to start with precious little with which they could fight except petrol bottles and bayonets stuck into bits of lead piping. Whole age groups were called up, hastily trained and formed into infantry battalions. Ditches were dug and obstructions thrown up all over the country, in every likely place and a great number of unlikely ones. Eight hundred thousand American pattern rifles and a few last-war field guns were procured by the goodwill of President Roosevelt, and I well remember the relief with which we greeted the news of the safe arrival of the last consignment. It was now possible to give every full-time infantry soldier a personal weapon and there was one to every two or three Home Guards.

After one month of Ironside, Brooke took over command of the anti-invasion forces. In July and August there took place the Battle of Britain. The German onslaughts failed, and everybody knows the story, owing to the incredible heroism of the fighter pilots of the

R.A.F., and in lesser degree to the skill and efficiency of Anti-Aircraft Command under General Sir Frederick Pile. In September of 1940 the Germans abandoned any idea of invasion for the year, and entered on a prolonged course of night bombing directed at ports, cities and factories, and this continued practically through all the hours of darkness till June 1941. The main defence against this was bound to be the Anti-Aircraft Command, at any rate up till the time that night fighters were developed. The expected all-out attack on shipping materialized. Sinkings were heavy and rationing had to be adopted.

All this time the work of building up a Home Defence Army was going on in the War Office, in the Commands and under Sir Alan Brooke. Brooke had from the beginning taken the view that the correct way to repel invasion was not to try to defend the whole coastline, but to hold the beaches at selected key points only, and to make the real defence by means of a series of highly-mobile, heavily-armoured forces suitably stationed so that they could smash any conceivable landing before it had time to establish itself. But to start with we hadn't the means of producing these striking columns in anything like the required numbers and defence had necessarily to be of the thin beach-line character. As soon as opportunity offered, however, with the recession of invasion possibilities in 1940, more armour and more artillery were organized and trained, and a proportion of the extra infantry obtained through the post-Dunkirk intakes were converted to other arms. Moreover the formation of all the odd units into brigades, divisions and corps was resolutely pursued.

In the Middle East the Italians had, as anticipated, made inroads into Egypt from Cyrenaica. They also expelled our one-battalion garrison from British Somaliland. Later they attacked Greece through Albania but made a very poor showing in this venture. From the Italian declaration of war all our shipping for the Far and Middle East had to go round the Cape of Good Hope. As soon as the invasion season was over for the year Mr. Churchill's mind turned to the possibility of giving the Italians a lesson. The Australians and New Zealanders, and one of our precious armoured divisions were sent to the Middle East, and by the turn of the year the campaigns were set on foot under

General Wavell which led to the expulsion of the Italians from Eritrea, the Somalilands and Abyssinia, and to the first of the three captures of Cyrenaica. Unfortunately the full fruits of the last of these could not be garnered. The Germans took a hand in the Mediterranean both in Greece and Africa. We weakened our forces in Africa to send aid to Greece and to forestall the Germans in Syria and Iraq, with the result that we were thrown out of Greece and later of Crete, and pushed back into Egypt. Nevertheless the Prime Minister did not lose sight of offensive possibilities in that theatre, and in spite of the fact that the prospect of a German assault on England would revive in the spring of 1941 he sent more troops there. But he did prescribe that the role of the Army should be in the main defensive. Apart from a smallish number of divisions equipped to the full scales and strengths necessary for operations overseas, it was to be organized solely for service at home. The only major aggressive instrument open to us then appeared to be the bombing airplane, and a great expansion of the R.A.F. was therefore envisaged together with a corresponding development of aircraft production.

As the Army was so largely cast for defensive service in the United Kingdom it could dispense with a considerable proportion of its normal allotment of technical units and make free use of the ordinary civil factory, store and workshop facilities. The whole policy meant that, even with the increase in the proportion of armour to infantry which Mr. Churchill ordered, the Army had no need of further big intakes, after those of the summer of 1940. Apart from this, men called up were allowed to choose the service they preferred and as our stock after Dunkirk was not high, they naturally wanted to choose the Air Force or the Navy. These Services seized their chances and got into the habit of earmarking likely men months before they needed them, by which means they cut seriously into the supply of men of the highest medical categories. When the time came for the Army to reopen recruiting on a large scale we got too many entrants with physical defects of one sort and another.

The transfer of Russia to the ranks of the enemies of Germany in June 1941 did not appreciably affect the role of the British Army. It is true that, with Hitler's attack on the Soviet, the persistent bombing

of England ceased and the possibility of invasion again receded but it did not vanish, for it looked as if Russia might be quickly knocked out and that afterwards the Germans could concentrate on our islands with their rear perfectly secure. In the United States 'cash and carry' had, under Roosevelt's leadership, given way to 'lease-lend' to our inestimable advantage, but there was no date by which an American entry into the war could be safely predicted. The previous directive to the Army stood, therefore, though in the autumn we did undertake a second offensive in the Middle East, which, however, failed to live up to its early promise, and the Prime Minister did set up a 'Combined Operations' organization to study and undertake raids on enemy-occupied coasts. But at first the only effects Russia's entry had on the Army were that we had to give up substantial amounts of our equipment to help her, and that we entered on a joint occupation of Persia in order to anticipate Germany there and to organize a route through it for transmitting supplies to the Soviet.

When Mr. Eden arrived at the War Office in 1940 he found that there were a good many complaints in the newspapers and in the House of Commons about the shortcomings of the Army, and among them there were more than a few about the allegedly incompetent and unbusinesslike methods in vogue in the War Office and the Home Commands. The Secretary of State accordingly set up a committee – the Standing Committee on Army Administration – under my chairmanship to polish up our methods and standards. The terms of reference were:

> To consider the present administrative organization of the War Office and of the Military Commands with a view to introducing such changes of organization and simplifications of procedure as are necessary to give the elasticity which war-time conditions demand. Special attention will be given to the timing of any changes so as to ensure that there shall be no dislocation or interruption of the war effort.

Besides myself the committee consisted of three business men and three generals, while one of the senior members of the staff of I.C.I.

Ltd. served as assessor. Our first report dealt with the War Office itself which was still organized on the general lines recommended by the Esher Committee in 1904. The essence of the Esher Report was to introduce a certain decentralization by dividing the country into territorial Commands and to entrust the all-over governance of the Army to an Army Council sitting in the War Office. Of this the Secretary of State for War was president and the members were originally the C.I.G.S., the Adjutant-General, the Quartermaster-General, the Master-General of the Ordnance, and the junior Ministers. The Permanent Secretary was secretary of the council and later on he became a member as well. In theory the council functioned collectively but in practice the Secretary of State was solely responsible to Parliament and in fact he could overrule his council whenever he so desired. The War Office was, broadly speaking, divided for administrative purposes into separate divisions under the four principal soldiers and the Permanent Secretary. There was in addition a military secretary's division directly under the Secretary of State. In the years between the two World Wars some additional military divisions were created and other changes made, but in essence the Esher organization persisted and it had stood up to the test of time remarkably well. One of its comparatively few defects was that it did not provide for any co-ordination between the branches at any level lower than the Army Council. This meant that members of council, especially the Secretary of State himself, spent far too much of their time ironing out disputes which arose much lower down in the hierarchy. The good old Army tradition that a file may only go out of a branch to an officer of equal rank to that of the sender may have a lot to be said for it, but it sometimes produces absurd results. A second and perhaps more serious shortcoming was the overlapping and conflict of decision in those regions, which in modern times are bound to be numerous, extending into two or more jurisdictions. And in administration there are always a lot of no-man's-lands or rather lands belonging to two men or more – assuming of course the modern habit of trying to administer and plan everything, which is bound to be true in war-time anyhow. To remedy these two faults we instituted an Executive

Committee of the Army Council and created an Army Council Secretariat. Of the committee the Permanent Secretary was to be chairman and the four or five members of the Army Council who had large administrative functions were the members. Its task was to settle all questions – other than those in the operational or strategic sphere – which did not involve major policy and which need not therefore come to the full Army Council, and also to thresh out the larger questions in order to reduce them to either an agreed recommendation or an agreed statement of differences for the adjudication of the council. It was the business of the secretariat to become familiar with what was going on in the branches, to bring these together when there was danger of overlapping or friction, to direct questions where necessary or desirable to the Executive Committee, to see that suitable papers and agenda were prepared for the committee, to take the minutes and to circulate decisions to all concerned. Where, for any reason, the Executive Committee could not settle a question the secretariat prepared the case for a meeting of the Army Council and there too they kept the minutes and promulgated the conclusions. The secretariat consisted of joint secretaries, one military and one civilian, and of a roughly equal number of soldiers and Civil Servants in the subordinate ranks. The staff were intended to be and were in fact completely interchangeable, partly for reasons of common sense but also in order to emphasize that the sharp division of the War Office into frocks and brass hats was no more. After it had been working for some while it was laid down that members of the secretariat should be specifically allotted for liaison with each particular member of council and act as secretary of the more significant committees in his branches. This helped to ensure that the secretariat knew everything that was going on. One of the most valuable features of the Executive Committee was that the members got into the habit of giving a brief account of the week's happenings in their branches and of their future intentions. By this device co-ordination could get under way at once or be quickly reinstituted after any failure. And what was perhaps more important, unwise projects could be killed in early infancy by the cruel process of exposure.

The Standing Committee also recommended a measure of decentralization from the War Office to Commands. The latter had in peace-time very scanty financial powers, which was understandable seeing that Army expenditure had to be submitted for Parliamentary sanction in meticulous detail. But it did lead to a mass of correspondence and inordinate delay in getting projects going. We accordingly increased the financial powers of the Commands and in addition posted to each one of them a senior official from the Permanent Secretary's branch with a small technical staff. This official was designated the Command Secretary. He was given considerable discretion to sanction expenditure on the spot, even outside the enlarged powers of the Command, in fact using his judgment as to what should be sent up to the War Office, and advising the military concerned how to frame their applications, when they did have to go to London, in order to cause the least delay and doubt at the other end. Besides exercising these financial functions the Command Secretary acted as administrative adviser at large to the G.O.C.s of Commands and, if he was sensible, he soon got his nose into every aspect of Army administration and prevented a lot of mistakes and extravagance at source so to speak. We applied the same expedient to the Middle East after it had become primarily a base rather than a theatre of operations. Most of the senior generals thought it a useful change and some, including General Paget, were enthusiastic about it.

The primary object of this process of delegation was to mitigate the strictness of the financial and other forms of civilian control. But we followed it up by undoing as much as we safely could of the undoubted over-centralization on the military side. Indeed we set up a standing sub-committee to keep constant watch on the possibilities in this direction and to consider any suggestions put forward by the Commands. In one sphere, that of civil engineering, we failed to get anything like the amount of devolution we should have wished. This was a great pity, for after our militia camps were finished we had to produce accommodation for nearly a million Americans. But by this time building materials as well as labour had got woefully short, and of both the allocations were centralized in the Ministry of Works. We

therefore had to retain the control of our construction work very much in London. I should like here to say a word about Sir Charles King, who was our Engineer-in-Chief for the latter part of the war. He had gained a considerable reputation in India as the engineer in charge of the rebuilding of Quetta after the earthquake and he certainly more than justified this by his work at the War Office. In addition to the military building, he was charged with design and procurement of the infinite variety of engineer stores wanted on active service, and with research into new kinds of equipment for special purposes such as clearing mine fields, cutting wire, demolishing concrete and the hundred and one needs of that sort. And of course he was an essential element in the planning stage of all major campaigns.

There is one thing more to be said on this matter of decentralization. It is intended to save time, paper and temper. One of its main advantages is incidental in that it permits and encourages officers to assume and exercise responsibility and I have no doubt that responsibility, especially when it comes early, is the parent or at any rate the grandparent of efficiency.

I must here record that already in 1941 the War Office had been giving some thought to the preparation of a plan for demobilizing the men serving with the Forces when the end of the war came. At the end of the first World War a very scientific and logical scheme was adopted which broke down hopelessly because nobody could be sure that it was just and proof against wangling. And it had to be completely recast after some disorderly and ugly incidents. This time we were determined that whatever was produced it should be fair and so simple that every soldier could see for himself exactly where he stood. Now was begotten the principle of Age and Length of Service and the device of the 'Race Card' which long months afterwards were adopted by the War Cabinet as the central feature of the Release scheme announced by Mr. Bevin.

We have seen how, by the autumn of 1941, the War Office had already been compelled to build two completely different kinds of Army. Pearl Harbour again changed everything. With the United States in the war it was beyond doubt that sooner or later there would

be at the disposal of the Allied effort unlimited supplies of trained fighting men, very nearly unlimited supplies of food and raw materials as well as of airplanes, tanks and every other conceivable form of munitions of war, and very large numbers of ships, both war and merchant. Sooner or later it would be open to the Allies to attack; it would only be a question of choosing where to attack first.

So far as the British were concerned it was plain that our principal effort would be in Europe and that it would predominantly take the form of assault landings across the Channel on the coast of France. Mr. Churchill went to Washington to reach preliminary agreement on the strategy to be pursued, and he and the President laid it down that the first objective was to be the defeat of Germany and that the war against Japan in the Pacific should take second place. Sir John Dill was left behind as the head of the British Staff Mission in Washington and Brooke became C.I.G.S. in his place, being in his turn succeeded at Home Forces by Paget. In pursuance of the all-over strategy American troops and airmen in large numbers were to be sent to Britain, in the first place to ensure the safety of the main Allied base but much more to build up the United States contingent of the assaulting forces. In the spring of 1942 General Marshall came to London and as a result of his visit, it was decided that the target date for the attempt on enemy-occupied France should be the spring or summer of 1943, though we were to keep in mind the possibility of a smaller effort in 1942 if it became essential to create a diversion to help the Russians. When the campaigning season in eastern Europe opened it was soon beyond doubt that things were once more going badly for the Soviet Armies. But the British Chiefs of Staff had come to the conclusion that a forlorn-hope Anglo-American attack in 1942 would do the Russians no good and might easily be disastrous for them as showing the Germans how little they yet had to fear in the west. Mr. Churchill again crossed the Atlantic to persuade the President that an alternative plan would be more advantageous. This was the project for landings in Africa at the western end of the Mediterranean to be synchronized with a thrust westwards by the British Eighth Army in Libya. Even while the Prime Minister was in Washington, however, the Eighth

Army was being forced eastwards, and they ultimately stabilized their position at Alamein only sixty miles from Alexandria. Nevertheless the North African scheme was accepted and planning for it was put in train on both sides of the Atlantic. Incidentally it was during Mr. Churchill's visit to Washington that he received news of the fall of Tobruk and of that magnificent counter to it from the President – the allocation to the British forces of those three hundred Sherman tanks which played so notable a part in the later stages of Montgomery's Libyan campaign.

It is here necessary to go back a little. Although, as I said, the entry of America into the war really meant that the ultimate victory of the Allies was now assured, we had first to overcome the frightening initial advantages which the Japanese had obtained by their treachery. We had quite early in the war been compelled to choose between securing the Middle East and strengthening Malaya and had very naturally decided to concentrate our limited resources on the former. The Japanese were not yet belligerents and it was assumed that, if and when they entered the fight, the U.S. Navy would somehow or other be available to take care of our position in the Far East. But now the American fleet was virtually out of action and in consequence the enemy was bound to capture the whole of the Malay Barrier, including the fortress of Singapore. In addition he quickly mastered the Philippines and some of the other American bases in the Pacific and it was clear that he was preparing to invade Burma from Siam. It soon appeared that he was reaching out towards Australia as well. There were sea and air attacks on our shipping in the Far East while the Germans intensified their campaign against British shipping. Their submarines began to operate in American territorial waters and to exact a heavy toll there.

This early tale of disaster caused some political embarrassment for Mr. Churchill and there were outspoken criticisms of the Government in the course of a secret session of the House of Commons. In the middle of February Sir Stafford Cripps became a member of the War Cabinet and Leader of the House of Commons. It was about this time that I received an invitation to spend a night with the Prime Minister

at Chequers. My contacts with Winston during the war had been infrequent enough for this to create some wonderment in my mind at the purpose of the visit. I knew Sir Horace Wilson would shortly retire and I came to the conclusion that the most likely explanation was that I was to be asked to go to the Treasury in his place. Naturally I had told the Secretary of State, Captain Margesson, that I was going to Chequers. A few minutes before I was due to start he telephoned to me to say that he had just heard from the Prime Minister that he was to be relieved of his office but though this was a dramatic enough preliminary to my visit it did nothing to displace the Treasury idea in my head. The Prime Minister was resting when I got to Chequers but shortly after I went to see him in his bedroom. In ten words he asked me to be Secretary of State for War. In less than ten words I agreed. Winston went on to say that he thought it would be better if I had a seat in the Lords rather than the Commons. I begged that I might remain a Commoner and the interview ended with Winston promising to think it over. The next I heard on this particular subject was an item in one of the B.B.C. news bulletins some weeks later quoting Sir Stafford Cripps as having informed the House that the new Secretary of State would shortly be found a seat in the Commons!

CHAPTER NINE

SECRETARY OF STATE FOR WAR

I WAS now transformed from a bureaucrat into a Minister, and the seal was placed on this transformation by my election to Parliament in April for the constituency of East Cardiff. The campaign wasn't at all an onerous one but, even so, I came to the conclusion that I didn't like electioneering. The change in my status meant a good deal more than merely moving from one room to a precisely similar one on the opposite side of the central well in the War Office. Hitherto I had been one of a number of equals jointly but vaguely charged with the command of the Army under the presidency of a Minister who in fact could overrule the whole lot of us if he wished. My particular assignment as Permanent Secretary was the machinery of financial control and the administrative structure of the War Office but I was also ex-officio Secretary of the Army Council and as such could reasonably claim, particularly since I had been made Chairman of the Standing Committee on Administration and of the recently constituted Executive Committee, a general right to co-ordinate the activities of the Army as distinct from those of the War Office. In fact I had devoted most of my energies to this function of busybody at large. Obviously it involved a good deal of trespassing into other people's domains and there was always the risk of being told to mind my own business. In any event I could get nothing done without persuading those whose primary concern it was that it was the right thing to do. After that we had to go hand in hand to the Secretary of State and convince him that it was the right thing to do. But once he had decided, after weighing up all the relevant factors, including the political, to adopt our suggestions, they became his own and he assumed the entire responsibility for them *urbe et orbi*. If trouble arose he had to defend his decisions in Cabinet and in Parliament. Those of us who had advised or pressed the decisions upon him hid ourselves behind the cloak of the unique but universal accountability of the Secretary of State.

Now I was myself Secretary of State. I had no longer to go through a whole chain of private persuasions. In the administrative sphere I could decide things for myself and I could give orders in any sense and at any time I liked. But I had to recognize that I might be called on to justify what I had done to the Prime Minister and the War Cabinet or to defend it publicly in the House of Commons. From now on it was I and not another who had to answer for everything that went on in the War Office and the Army.

Of course I had, during my ten years as private secretary to a succession of Chancellors of the Exchequer, seen a good deal of the political world. But it is one thing being a private secretary to a Minister and quite another being a Minister; the House of Commons looks quite different from the Official Gallery and from a seat on the Front Bench. No doubt I had in my private secretary days gained a fund of knowledge of Parliamentary rules and procedure and of what is at least as important, Parliamentary atmosphere. Moreover, as a member of the Viceroy's Council in India, I had occupied what was virtually the position of a Cabinet Minister with a seat on the Front Bench of the legislature; and, though this seat was acquired by nomination and not by election, and though I was able in the last resort to carry my policies against the votes of the elected members, I had to expound and defend those policies and to submit to daily interpellations about the activities of my department. And I would say that the Indian Legislative Assembly was not less vigilant than the House of Commons and that its criticisms were not less searching, besides being as a rule much more venomous than those of its prototype. Despite my previous experience, however, I was more than a little queasy when I first took my seat at Westminster. Incidentally I was introduced by Mr. Churchill and Mr. Attlee. Questions did not worry me, nor did the prepared expository speeches I had to make. In debate I was a bit out of my element perhaps and I was apt to be more controversial than the circumstances demanded or warranted. But I think the real reason for my discomfort was a feeling that, like Horne in 1918, I was very much a *novus homo* who had not gone through the political mill.

The trade of politics in normal times is hard and disagreeable.

There must be a considerable apprenticeship before a man can get himself even accepted as a candidate for Parliament, and after that he has to get himself elected, probably after a number of trial runs in 'hopeless' constituencies, and to maintain himself in the favour of his constituents. But even after he is eventually reasonably secure of keeping a seat, it is a long and arduous journey from a back to the Front Bench. It will entail constant attendance, unfailing party loyalty in the Lobby and elsewhere, the labour of making oneself an expert in at least some of the matters which are currently of political importance and possibly a period as Parliamentary Private Secretary to a Minister. And in the end comparatively few can reach the final goal. Can it then be wondered at that it is a little galling for the average politician to see an outsider suddenly appointed to a Cabinet post of the first order and provided with a seat in Parliament without most if not all of the burdensome preliminaries? In my case there was also the fact that I had come straight from the Civil Service and Civil Servants in general are the secular enemies of the House of Commons. I do not mean to imply that there are not many close personal friendships between members of Parliament and officials. But there is no gainsaying that the House of Commons has largely been shaped by the centuries of conflict between the Executive and the elected of the people. Up till 1945 at any rate and it is probably still true in minor matters, members of all parties have regarded it as one of their main duties to protect the citizen against the encroachment of the Executive, and to most citizens the Executive manifests itself in the guise of a Civil Servant. On the other side I think it is true to say that Civil Servants are inclined to be irked by this watchful suspicion on the part of Parliament. Moreover there is, or was up till 1945, among those of them who have sat for long hours in the Official Gallery a kind of Straffordian impatience at the time it took to get Parliamentary approval for policies which they have worked out with beaverish industry and meticulous care and which have already been through the whole gamut of inter-departmental and ministerial discussion. Of course the Standing Orders and conventions of Parliament were developed with an eye to preventing over-much and over-hasty legislation. But we have

changed all that. Parliament itself is now in a hurry and there can be few Civil Servants today who think that things are going too slowly in the legislative realm.

When I was nominated at East Cardiff I did not adopt any of the party labels. Indeed it would have been wrong for one who had so recently been a Civil Servant to do so. But beyond that I did not feel that my views on political questions would fit neatly into any of the party creeds. The previous member had been a Conservative, and I was formally invited to stand both by the Conservatives and the Liberals. The local Labour organization was asked to further my candidature but refused to do so and even discouraged some of my Labour Party friends from coming to speak in my support.

The feature which most struck me in my early months in the House of Commons was the extent to which members busied themselves with the concerns of their individual constituents. I could not help recalling to myself the words of Burke:

> Parliament is not a *congress* of ambassadors from different and hostile interests, which interests each must maintain, as an agent and advocate, against other agents and advocates; but Parliament is a *deliberative* assembly of *one* nation, with *one* interest, that of the whole – where not local purposes, not local prejudices, ought to guide, but the general good, resulting from the general reason of the whole. You choose a member, indeed; but when you have chosen him, he is not member of Bristol, but he is a member of Parliament.

Or again:

> Let me say, with plainness, I who am no longer in a public character, that . . . if we do not permit our members to act upon a very enlarged view of things, we shall at length infallibly degrade our national representation into a confused and scuffling bustle of local agency.

I caught myself wondering whether this preoccupation with the particular grievances and demands of constituents was an enduring

characteristic of Parliament, whether it was an inevitable result of large constituencies and universal suffrage, whether in fact members were becoming not the representatives of their electors but delegates from the disgruntled minority of them. If the answers to these questions are affirmative there is small chance of democracy realizing men's hopes of it. Nothing could be more true than the text:

Where there is no vision the people perish.

This question of complaints had no small relevance for me in 1942. We had nearly three million men and women in the Army and a million and a half in the Home Guard; and we were in addition large employers of civilian workers. We had requisitioned a hundred thousand or more of private properties and were conducting manœuvres over cultivated land. I was bound therefore to get, either direct or through members of Parliament, a stream of complaints and requests, particularly after Mr. Aneurin Bevan took advantage of an opportunity provided by the B.B.C. to exhort the people of the country to communicate to their members all their grievances under whatever head. I hope that I set up suitable machinery for picking out from those addressed to me the ones which merited serious attention and I hope I wasn't too unsympathetic and impatient over the others. But I was determined not to be diverted by them into losing sight of essentials. There could never have been a time when it was more vital to think big about the Army than in the spring and summer of 1942. With the advent of the Americans it was clear that we had at the earliest possible moment to go over to the offensive and to prepare our forces accordingly. But, to begin with, the new phase of the war had brought us great misfortunes, some of the most disastrous of which fell to the lot of the Army. Not surprisingly therefore it had a black dog on its back. And these humiliations came as the culmination of a long record – with only a few brilliant intermissions in the Middle East – of alternating defeat and stagnation. It was not easy therefore to maintain among the troops confidence in themselves, in their officers, in their equipment and in the higher direction of the war. An endless chain of grumbles in Parliament,

echoed and amplified in the newspapers, would make it even more difficult to keep before myself, the Army and the public, the prime necessity of making that Army an instrument which could win battles and campaigns rather than, at best, conduct gallant retreats. I felt no doubt at that time that the Army needed every kind of public support and encouragement and, if it was thought, as I daresay it was by many, that I defended it sometimes against criticisms that were well-founded or against unmerited attacks with too much vehemence and controversy, I was and am still quite impenitent.

II

If it is not already plain, I ought to say that I am not attempting to write a history of the second World War. The official historians will do that and if precedent goes for anything, they will finish their task sometime after the conclusion of the next major conflict. Luckily we shall have before then the eight or ten volumes which we are to get from Mr. Churchill. I am not foolish or presumptuous enough even to look into his stamping grounds. In any case the share of the Secretary of State for War in major operational policy from 1940 to 1945 was a subordinate one. In organizational matters he occupied a key position, but for the actual conduct of the war the effective instrument was the Prime Minister in his capacity as Minister of Defence plus the Chiefs of Staff Committee. This was natural enough, for only a Minister of Defence who was also Prime Minister could know everything that was going on in the operational sphere and at the same time could be in a position to give immediate decisions at any hour of the day or night. Apart from this, from the end of 1941 onwards, all major undertakings had to be agreed with the United States and, to the very limited extent to which it was practicable, co-ordinated with those of the Soviet. This entailed a good deal of globe-trotting for high-level conferences, in most cases involving preliminary meetings of the Combined Chiefs of Staff, and, as none of these gatherings took place in the United Kingdom, they were a

powerful factor in strengthening and consolidating the central position of the Prime Minister and the Chiefs of Staff. Nor shall I try to give even an administrative history of the Army in the years 1942 to 1945. My purpose is rather to describe the general character of the organizational task performed by the military authorities in those years and the panorama against which it had to be carried out.

I have spoken of the background of disaster to Mr. Churchill's visit to Washington in June 1942. But in the course of that summer and autumn the tide still ran strongly against us and our allies. The United States were expelled from all their Pacific bases west of Hawaii. Burma was invaded, Rangoon lost and the Japanese made steady progress towards the borders of East Bengal and Assam, while they occupied the Andamans and threatened both India and Ceylon. New Guinea was invaded as a stepping-stone to northern Australia, and to all intents and purposes the Japanese had secured two distinct and widely separated rings of defences for their home islands. In Europe the Russians were being relentlessly driven back to the Volga and the passes of the Caucasus; the question was whether they could hold short of the Urals or the shores of the Caspian. The Baku oil wells might fall into German hands, in which case their most difficult supply problem was solved. Shipping losses mounted because the Americans had not got their anti-submarine measures ready. Rommel attacked in North Africa and drove Auchinleck back to the gates of Alexandria. In all the circumstances it could not be assumed that the risk of invasion had entirely passed from us.

With the battle of the Coral Sea, however, the tide began to turn. The Japs could no longer entertain any hope of even raiding American bases in Hawaii. Soon too their advance in New Guinea was stemmed, and they failed to get across the mountains between Burma and Assam. In Africa, after Alexander had replaced Auchinleck, and Montgomery had taken charge of the Eighth Army, it was made abundantly clear to Rommel that he would get no nearer to the Nile Delta than Alamein. In Russia the Germans were held at Stalingrad and at the very passes of the Caucasus. At sea despite all the efforts of the enemy aircraft and submarines the Americans were not prevented

from sending troops in large numbers to Australia and to the United Kingdom. Enemy success was on the ebb then. The new offensive phase could begin. What was to be Britain's part in it?

It was soon made obvious that there would be no question of any direct military help to Russia. Despite her great losses and heavy burdens the Soviet did not want British or American assistance in clearing her own soil. She was ready enough to accept military supplies whether via the North Cape or through Persia and she was insistent that we should at the earliest possible moment open what she and her adherents in this country pejoratively described as 'the Second Front'. But anything in the nature of a joint undertaking was ruled out whether on land or in the air. Perhaps it was natural that Russia should still remember 1919 and 1938 and not want us behind the iron curtain, but they treated the Americans with the same reserve and suspicion. President Roosevelt, I think, had expected something different and he sent Mr. Averill Harriman and Major-General Deane to Moscow to show how relations with the Soviet ought to be conducted. Anybody can read the results in General Deane's most interesting book, *Strange Alliance*.

In the south-west Pacific we were to have no part until Germany had been knocked out. The Americans made extensive use of Australian bases and supplies and employed Commonwealth troops as the spearhead of some of their most difficult operations. Events here affected us indirectly because Australia withdrew her divisions from the Middle East, and because General McArthur and Admiral King between them sent to or kept in this theatre more ships and munitions than were justifiable under the June concordat between the President and Mr. Churchill.

In south-east Asia we had to ensure the safety of India and Ceylon and the ultimate recapture of Burma and Malaya. For this purpose we sent to India two complete British divisions and we became heavily involved in a large expansion of the Indian Army. In this vast country there was an unlimited supply of sepoys and of some of the more elementary forms of warlike stores. But we had to furnish, in addition to the self-contained divisions, all the higher types of equipment,

great numbers of technicians and a considerable quota of officers. In order to illustrate that this theatre was in itself by no means so insignificant as was often supposed, I mention here the fact that, up to the time of the German surrender, the largest single Japanese Army engaged in battle was that deployed against us in Burma and, what is more, Japan sustained more casualties in that theatre than in any other.

Next we come to North Africa. The agreed plan for clearing the southern shore of the Mediterranean and resuming the Canal route to the East was already in progress. As soon as it had been completed we should have a jumping-off ground for a re-entry into Europe from the south and for attacking the enemy in his weakest spot. At Casablanca in January 1943 it was decided to exploit our African successes by attacks on Italy in Europe.

Finally I come to the United Kingdom and Operation 'Overlord'. After a short period when invasion was still just possible, the task here was to build up an Anglo-American-Canadian Army which could succeed in landing in force on the Channel coast of France, establish itself there and expand until it could hope to drive the Germans out of France, out of Belgium and Holland and finally across the Rhine. Parallel with this creation of a combined ground force, with of course its due allotment of air support, a huge joint Strategic Air Force was to be organized with the twofold purpose of, in Germany, lowering the will of the population to continue the struggle, destroying the enemy oil resources and generally diminishing his industrial potential by smashing up factories and marshalling yards, and, in the war zone, shattering internal communications, especially bridges, and softening up the defences along the coast. The Anglo-Canadian contingent to the ground forces alone amounted to the best part of a million men; the American was initially about the same but ultimately much bigger. The British and United States contributions to the Tactical Air Forces more or less corresponded to the varying Army strengths, those to the Strategic Air Force were roughly equal throughout.

It now becomes clear that the War Office, after having had to make in 1939 a defensive Continental army, and in 1940 an anti-invasion army, had in 1942 to begin making an army different from either –

capable of offensive action in at least three different theatres. These theatres were widely separated and they had only one major feature in common, namely that in each of them it would be necessary sometime or other to undertake opposed landings in strength on a hostile shore, a kind of enterprise which hitherto the textbooks had regarded as outside the bounds of possibility. We needed a more complicated and far-flung organization, new and more elaborate standards of equipment and a much more vigorous type of training.

So far as personnel was concerned, we had to accumulate trained reserves for the replacement of the casualties which from now on were bound to occur. We had also to revive all the specialist and technical units which we had left in abeyance so long as we could live on the pre-existing civilian facilities at home, and to provide new units for all sorts of novel purposes connected with amphibious warfare and a campaign of movement. As regards equipment we could hope in time to secure large allocations from the fabulous American output, but for the time being we had to be prepared to supply our own enhanced requirements. More men in the factories were essential therefore to produce weapons for the Army. But both for military and industrial manpower we were in competition with the other two Services. The R.A.F. expansion was in full swing and the Navy wanted landing craft and convoy vessels and the complements for them. There were never enough men to go round. Indeed I do not remember a single occasion when the War Cabinet allotted to the Army more than half the number for which I had asked. Incidentally I might mention that the arrival of Americans in huge numbers involved an extra call on the civilian resources of the United Kingdom. For example, the War Office alone was responsible for providing accommodation for about a million of our allies and we furnished a considerable labour corps to unload and handle their freight ships. I wonder how many people realize that with every United States soldier who embarked for the European theatre there came ten tons of stores. This figure did not cover supplies for current maintenance after the fighting had started.

Over the next two or three years the country had to adopt the most

drastic measures to make the best use of our man and woman power. It wasn't long before all the age groups up to fifty had been registered and called up. Women were recruited voluntarily for the Auxiliary Services in large numbers. Later on, single women were compulsorily registered and directed to whole or part-time civilian employments necessary for the conduct of the war. Pressure was put on those registering to go into the Services and, later on again, compulsion was resorted to in this matter also. The Schedule of Reserved Occupations was revised so as to release skilled men whenever it was possible to provide and train whole or part-time women to fill their places. Even so, long before the end of the war, the man and womanhood of the nation was more than fully mobilized and the only accretions to our resources in future were to be the men and women coming into the youngest age group liable to compulsory service.

In this intense need of and competition for recruits the Army had to resort to all sorts of shifts and stratagems. Incidentally our problem was aggravated by the difficult distribution of our military liabilities over the earth's surface and by a chronic scarcity of shipping. Despite the enormous expansion of the United States merchant shipbuilding capacity there were never enough vessels to make up for the terrible sinkings of 1941 and 1942, and at the same time to provide for our import programme and the movement of our and the American troops and stores. Things were made more difficult, as I have said before, by the fact that the build-up in the south-west Pacific was exercising a bigger pull on shipping than had been expected or indeed authorized. In the narrowness of our position and the damage we were inevitably causing to our post-war trade there were a few who thought we might have sat back until the limitless might of America could supply all demands. But despite the fact that we had already borne the heat and burden of the day – for a whole year completely alone – Mr. Churchill would have none of this and I am sure that his decision was in keeping with the general feeling of his countrymen. We were directed to make the greatest contribution we could to 'Overlord' and to this end to effect every conceivable economy or substitution of manpower.

First we heavily reduced our anti-aircraft defences and for what

remained of them we made the maximum use of the part-time Home Guards, and of the Women's Auxiliary Territorial Services (the A.T.S.). No praise can be too high for the way in which both met the occasion. At first there was a fair amount of eyebrow raising at the idea of women going into action but people soon got over this and in time we were allowed to send some of the mixed anti-aircraft batteries overseas, for example to form part of the defences of Antwerp. But we did not stop at Anti-Aircraft Command. The men released from this enabled us to increase our supply of gunners, signallers and other specialists in the Field Army but they were not enough and we had many other needs as well. The rest of the Army was assiduously combed. Exhaustive search was made for unused technical skill. Young and fit men were taken from sedentary and static employment for more active mobile duties and either not replaced at all or substituted by older men and those of lower medical standards, or again by members of the A.T.S. and again we made use of the part-time contributions of Home Guards as much as possible. New recruits on entry were scientifically tested and graded, and to the greatest degree possible posted to the units, branches or trades where their aptitudes would be fully used. The names of potential officers were noted from the start and steps taken to follow up their careers so that they could be posted to an Officer Cadet Training Unit (O.C.T.U.) as soon as they were ready. Men with physical defects were sent to rehabilitation centres where they got the most up-to-date medical treatment and remedial exercises with a view to their eventual up-grading. Establishments were scrutinized constantly with the aim of cutting out all extravagance. Committees sat in the War Office and Inspectors toured the country from end to end as well as the bases and lines of communication abroad for the purpose. The Prime Minister did not fail to address homilies to us on the necessity for combing our tail in order to be able to sharpen our teeth. Some of these were after the style of Latimer rather than that of the gentle Cranmer, and now and again they were the prelude to a visitation from a Cabinet Committee to see if my colleagues could suggest economies that I had overlooked. I do not think it can be doubted that by and large we made the best

possible use of our manpower and that we carried out our second transformation of the Army to meet new strategy speedily and without undue friction. But with all our economies, the intakes we got as a result of the periodical manpower allocations of the War Cabinet were not enough for us to be certain of keeping up for any length of time our full number of divisions. We had to reduce our initial contribution to 'Overlord' below the Prime Minister's desires. And it was quite inevitable that, if and when a period of heavy casualties came, we should have to disband even some of the formations we were able to include in the Field Force, or the 21st Army Group as it now had come to be called. The time arrived and we had indeed to break up divisions and this notwithstanding that men were transferred to us from the Navy and Air Force in a last attempt to arrest the process of dispersal.

So far as equipment is concerned I believe it to be broadly true that, from the time of the fall of Tunis in May 1943, we had solved our problems. I know that there were criticisms on various heads — tanks, medium and heavy artillery, mine clearance devices — but most of these rested on misunderstanding or misinformation, as I could prove were it worth while turning over the embers of burnt-out controversies. I am well aware too that there were occasional local shortages in the more distant theatres and it is a matter of common knowledge that in those theatres comforts were often lamentably short; but on the whole we were more than satisfactorily furnished in fighting material for the ventures of 1943 and 1944. Needless to say, this was in considerable measure due to the generosity with which the Americans, after they had covered their own initial needs, placed at our disposal a share of the fruits of their stupendous industrial capacity. Periodically the Ministry of Supply furnished to the United States a complete list of our requirements together with a statement of what for each item we could provide for ourselves. The balance represented what we hoped we would get from America and, from 1944 onwards at any rate, we got most of what we asked for. But it is also the case that we showed more foresight, enlightenment and enterprise in our own equipment policy. This started, I think, with the appointment of Lieutenant-General R.M. (afterwards Sir Ronald) Weeks as Deputy C.I.G.S. in June 1942. He

was a Territorial officer who had been the head of a big manufacturing concern in civil life. He was given charge, under the C.I.G.S. and the Secretary of State, of all questions concerning the structure and equipment of the Army. His job was in effect to discover what kind of army we needed and the nature of the weapons such an army would require. After that he had to formulate our demands in material to the Ministry of Supply and to see that they were fulfilled. His department contained a research branch to examine continuously the lessons derived from our own or enemy operations and to produce a properly digested body of doctrine – whether tactical, organizational or relating to weapons. It also included a Scientific Adviser to the Army Council who had complete freedom of access to anybody in the War Office or the Ministry of Supply. Operational Research Groups, containing technicians and scientists as well as soldiers, were instituted both at home and in theatres of war to find out how improvements could be made in equipment, in the technique of its use and in the tactical employment of troops. These groups were in fine the vital link between the users in the field and the designers and producers at home. The D.C.I.G.S. was a member of the Supply Council as well as of the Army Council and he was the chairman of a joint committee of the two departments on Weapon Development. He also held periodical meetings for co-ordination purposes with the other two Services and with representatives of the Dominions and he was an integral part of the Allied machinery for allocating American supplies among the various claimants. All of this could be put much more shortly by saying simply that it was the business of the D.C.I.G.S. to know what kind of army was necessary, what that army wanted and to see that it got it as quickly as possible. Anyhow this was the role which General Weeks fulfilled so admirably. One of the corps commanders concerned in the 'Overlord' assault who had also fought in other theatres, wrote to the War Office to remark how well-equipped the attacking forces were and how nearly every imaginable need had been foreseen and supplied. Lord Montgomery spoke very much to the same effect, and did not Mr. Churchill himself break the tradition of a century by saying a word in praise of the War Office?

'In leaving this subject of equipment, I am going to do something that has never been done before, and I hope the House will not be shocked at the breach of precedents. I am going to make public a word of praise for the War Office. In all the forty years I have served in this House I have heard that Department steadily abused before, during and after our various wars. And if my memory serves me aright, I have frequently taken part in the well-merited criticism which was their lot. But when I last saw General Montgomery in the field he used these words which he authorized me to repeat if I chose. He said:

"I doubt if the War Office has ever sent an army overseas so well-equipped as the one fighting now in Normandy."

That is what he said and I must say I think it is a well-justified statement.

The punctual movement and supply of our large armies in so many varied theatres, the high standard of training imparted to the troops, the smoothness with which arrangements of all kinds are fitted together, the meticulous care bestowed upon equipment in all its forms, the efficiency of the Army in the devising of instruments for every form of amphibious warfare, the whole manner in which the affairs of millions of men now with the Colours at home and abroad have been handled, reflect high credit on the War Office with all its innumerable branches and its enormous staff, military and civilian. They all deserve credit. . . .'

It is interesting in these matters of personnel and equipment to compare our lot with that of our American brethren. With them it was a case of 'the sky's the limit'. Their army was able to pick men of the highest physical standards only and of these they could produce an inexhaustible supply. In fact they were still expanding when the end of the war came. We on the other hand had a shrinking army, too many of our soldiers had physical defects, we hadn't enough reserves to relieve those with long continuous service abroad or enough ships to bring them home on leave. When casualties occurred in particular units we hadn't enough resources to allow us to confine our replace-

ment drafts to men of the same regiment or county and we often were unable to send a man who had recovered from wounds back to his old unit or one of the same affiliation. This was perhaps the most frequent cause of heartburning in the whole war. In equipment both armies were better than well supplied as regards actual fighting weapons, but the Americans were far more plentifully furnished than we were with such things as trucks, workshop gear, cranes and so on, and they had far higher allotments of clothing, amenities, comforts and even rations. But whatever our comparative disadvantages I am confident that we were able to produce a fighting man who was as good individually as the American – indeed the Germans thought he was if anything a little better.

I come now to the new methods of training. This was in large measure the work of General Paget after he took over Home Forces – out of which the future Field Army was to be carved – from Brooke at the end of 1941. There were three obvious elements in the production of an army for the offensive – training of the individual, unit training and the training of formations from brigades up to divisions, corps and armies.

As regards individual training, Paget was constantly impressing on his officers their personal responsibility for the men under them not only as soldiers but as human beings and citizens. Everything was to be done to make both officers and men tougher, more self-reliant and able to show initiative when required. Battle schools were set up in each Command, the features of which were the inculcation of a common doctrine, proceeding from a central Battle School at Barnard Castle, and assault courses which made heavy demands upon the physique and will of the individual. The training was designed for the infantry and I may mention that neither Paget nor his successor Montgomery would have anything to do with the heresy that the modern developments of the air arm, of artillery and of tanks had relegated the infantry to the back of the stage. This heresy was amusingly guyed by the American comedian Bob Hope: 'But let's face it, the infantry is really getting old-fashioned. There's practically nothing left for them to do. After the planes get through their job, and the tanks get through their job, and

the artillery has done its job, about the only thing left for the infantry is to step in and do all the fighting.'

The assault-course technique was greatly extended and before long practically every unit had one. Officers were made to take the lead in going over them so as to show that they shared fully the labour and hardship, as they would later share the perils, of those under their command. Unit training was a combination of intensified individual training with small exercises involving a few hundreds of men at a time. Efficiency was ensured by the careful selection of unit commanders and by constant inspection by the various grades of the hierarchy up to Paget himself. The exercises were made more realistic by the use of live ammunition. I need hardly say that this was never fired directly at the men but it was fired sufficiently near to make them observe the same precautions as they would have to do in actual battle, and it accustomed troops to the noise, smoke and smell of war. There was always the chance of men being killed and the possibility that an agitation in Press or Parliament would compel us to abandon the whole practice. Some soldiers unhappily were killed from time to time, but casualties were never numerous enough to lead to any appreciable public alarm. From the troops there was never a word of protest.

For the preparation of higher formations for battle the use of large training areas exclusively at the service of the military authorities was essential, and these areas had to be clear of all civil population. Only so could tanks, guns and lorries be moved without constraint and without having to take thought not to damage houses, hedges and growing crops. Only so moreover could live ammunition be used freely – the bigger calibres as well as small-arms ammunition. The War Office therefore put in hand the requisition of ten or a dozen of such areas over the whole country. Here again there might have been a great outcry but luckily in those days the people were in a mood of resolute endurance, prepared for almost any sacrifice. They were willing to be displaced from their homes of a lifetime if they thought they were thereby serving the national cause and I shall never forget that, at a meeting with the inhabitants of one of the first of these areas to be taken up, the G.O.C. in C. of the Command, after explaining to his victims the fate which

awaited them and the reasons which made it necessary, was roundly applauded by those present. Altogether this widespread interference with the lives of civilians was carried through with an absence of complaint – indeed with a display of active goodwill – that could never have been imagined beforehand. The training areas were of considerable extent and they were constantly the scene of exercises which served not only to accustom commanders to handling large bodies of troops but also to practise their staffs in the movements of men, vehicles and stores on the actual scale of war. Sometimes exercises had an even larger scope and covered several counties. But they could not be so realistic as those which took place in areas where there was no civil population. Some divisions were picked out to lead the assault in the future cross-Channel enterprise and these were put through exercises in combined operations drawn up by Lord Louis Mountbatten. Later on this training was very much intensified and further areas – this time on and near the coast – were requisitioned for the British and Canadian troops and also for the Americans, who had been arriving in a steady flow from March 1942 onwards. Again it was necessary to clear the local inhabitants out of their homes and again there was displayed that eager readiness of our people to put up cheerfully with any hardship in a cause which their minds understand and their hearts approve.

III

It is time to pick up the thread of events on which my recollections of the war years have been strung. When I put it aside the African campaigns were already in progress. The Eighth Army was moving westwards without a hitch and with astonishing speed, but the Anglo-American enterprise in French North Africa, compendiously known as 'Torch', had temporarily bogged down. The British First Army very nearly got to Tunis in their first rush but the connivance of the Vichy officials had enabled the Germans to send in troops by air and sea and so to build up quickly a front in Tunisia facing west. And then the rains came.

'Torch' was a compromise. In the first version of it produced by Mr. Churchill all the landings were to take place within the Mediterranean, the easternmost one much nearer to Tunis than under the plan ultimately adopted. The American Chiefs of Staff did not like this scheme because of the temptation it provided, as they thought, to Franco to close the Straits behind the expedition – as it were to draw the neck of the bag tight after the rats had got into it. They insisted therefore on one of the landings being from the Atlantic near Casablanca and on the whole centre of gravity being shifted westwards. Jobbing back it looks as if the British plan was right and that, if it had been adopted, we should have got Tunis some little while before May 1943. In theory this would have made possible an attack in force across the Channel in that year but I don't believe it would have made any difference in this respect. There are quite a number of Americans who maintain that 'Torch' postponed the defeat of the Germans by six months or more. General Spatz expounded this view to me at Carthage in June 1943, and I have since heard something like it attributed to General Wedemeyer. Its central contention was that heavy bombers could so have blasted the coastal defences that landings in France could have easily been made in the spring or summer of 1943, the original target date, and that there was at that time no sufficient German strength in western Europe to resist our forces once landed. It had been accepted that 'Torch' would involve a four-months postponement of the target date and it in fact involved more than that. In the end we lost the campaigning season for amphibious operations, and the whole plan was pushed over into 1944 by which time the Germans had doubled their forces in the west. Altogether the 'Overlord' campaign started a year later and took much longer than it might have done. But if this is the argument it ignores a great deal. In the first place Mr. Churchill's main object in pressing for 'Torch' was to bring diversionary aid to the Russians six months earlier than would have been the case with a 1943 'Overlord'. Secondly it is much more than doubtful whether, even if there had been no 'Torch', there could ever have been an 'Overlord' in 1943. When 1944 came the much larger air forces then available made very little impression on the coastal defences. But they had to an

extent which was quite unattainable a year before, smashed up German factories and communications, they had cut deeply into the German oil resources and they had reduced the German fighter aircraft to a fraction of their former numbers and efficiency. Then again if there had been no 'Torch' in 1942 and an 'Overlord' in 1943 the Germans would have had much larger total forces than they had in 1944. The heavy casualties which they suffered in Russia in the second half of 1943 and the first half of 1944 would not by the middle of 1943 have taken place and it would have been feasible to go on to the defensive in Russia and send troops to France over the magnificent and still undamaged system of east to west strategic railways. But it might not even have been necessary to go over to the defensive in Russia, for they would have had most of the half million men they lost in North Africa and they could have saved twenty or more of the divisions they had to send to Italy. Apart from considerations of the enemy's manpower and of his ability to move troops quickly, it was a fact that the Americans were in 1943 well behind their programme of delivering partially-trained divisions in England and few either of their soldiers or ours had been sufficiently exercised in assault landings. Nor was it at all certain that there were enough landing craft available for an operation even of the size the planners of 1943 thought adequate and the 'Mulberries' or artificial harbours were still a year away. And finally a failure to establish a bridgehead would have meant that the attempt could not be renewed for a couple of years at least and meanwhile the Germans could have taken most of their western divisions away to fight the Soviet without qualm. In short it seems to me beyond doubt that a 1943 landing in France was never 'on'. Early in that year the Americans appear to have come to this conclusion themselves, for at Casablanca the President and Mr. Churchill agreed that the next step after North Africa was to carry the war to Italy in Europe, taking Sicily or Sardinia on the way. However, after the conquest of Sicily and the capture of Naples the Americans wearied of the Italian venture and insisted that seven divisions should be withdrawn from it to strengthen the forces assembling in England. This meant that the armies left in Italy were not strong enough to get to Rome before the winter rains and snows.

Even after the withdrawal of the seven divisions, it was found impossible to escape the conclusion that 'Overlord' must wait till 1944 and everybody in consequence had an unpleasant time from Stalin and the fellow travellers, who claimed that they had been promised the 'Second Front' in 1943.

All this time there was no Supreme Commander for 'Overlord'. Brooke had originally been provisionally appointed but later Mr. Churchill agreed, if indeed he did not propose, that, in view of the ultimate preponderance of the United States component, the Supreme Commander should be an American. He suggested that it should be General Marshall but at the end of 1943 President Roosevelt nominated General Eisenhower. It was however arranged that the actual assault should be in charge of a British commander who would retain control of operations until it was possible to transfer Supreme Headquarters across the Channel. Eisenhower expressed a slight preference for Alexander, but His Majesty's Government pressed him to take Montgomery and Eisenhower readily fell in with its wishes. This meant that in the first days of January 1944, Montgomery left Italy and took over the command of 21st Army Group from Paget and also was placed temporarily in control of a United States Army under General Bradley. After a good deal of planning and argumentation and a meeting of the 'Big Three' at Teheran the target date was fixed for May 1944, and General Alexander was to undertake a more or less simultaneous campaign to capture Rome and to exploit beyond it to the maximum possible.

Meanwhile in the east of Europe the Germans had begun to give ground. Having failed to destroy the Soviet Armies there was nothing for it except to draw in their horns, and by the end of 1943 the Russians were within sight of ridding their own soil of the enemy. In the Far East General McArthur pierced the outer ring of Japanese defences. In Burma, after General Wavell's failure to recapture the Arakan, a new inter-Allied command was created for south-east Asia under Lord Louis Mountbatten with the task of recapturing first Burma and afterwards Malaya. The Japs were still showing plenty of fight in this theatre.

In the early summer of 1944 came Alexander's capture of Rome and Tuscany but his forces were not strong enough to debouch into the plains of Lombardy and Venetia before the winter came. For 'Overlord' June 6th turned out to be the earliest practicable assault date and after some heavy fighting and interruptions of supply due to unseasonable storms, the bridgehead was established. A month or so before D-Day I attended a kind of paper rehearsal at St. Paul's School. In this Montgomery, the Naval and Air Commanders-in-Chief, Generals Bradley and Dempsey and the four corps commanders immediately concerned in the landings took part. They expounded in turn their plans for the first phase of the campaign to an audience which included the Supreme Commander and his staff and all the commanders and staffs, both American and British, of the formations allotted either to the assault or to the subsequent build-up. Montgomery radiated entire confidence and the very strong feeling that nothing had been forgotten or left to chance. Admiral Ramsay rather wickedly described all the things which could go wrong with the naval arrangements, but all the same conveyed the identical impression that every possibility had been taken care of. Air Chief Marshal Leigh Mallory explained what the Air Forces could and would do to cover the landings and to prevent the enemy staging a counter-attack in the early few days before the lodgments had been consolidated. But what sticks most in my memory is a large wall map showing where Montgomery expected to be at the end of three months. He reminded me of this map when I visited him just as the Falaise battles were finishing in August, and pointed out what in fact the map made clear for itself, namely, that what he had expected to achieve by the end of three months he had completed in about ten days less. I do not say that all the intervening stages went exactly as they were planned. For example we were held up at Caen. But the fact remains that by and large this first decisive phase of the campaign followed the course laid down in advance, except that it was finished a little earlier than had been calculated.

Here I would like to say a word about the Caen controversy. General Eisenhower's dispatch seems to me to put this matter in its proper perspective, though I had at the time the impression that he was

a little perturbed at the frequency of the suggestions which came from his staff at SHAEF that things were going wrong and that Montgomery was falling down, particularly as these suggestions were caught up and amplified as in a whispering gallery. I saw and heard quite a lot of Montgomery at this juncture and I can say with confidence that, if he had thought that things were going awry, I should have known of it. But none of those who knew him best got from him the slightest inkling of any such thing. Of course his original idea was to break out of the *bocage* country around Caen into the open in the first few days after landing – it would be idle to deny that. But it is silly to confuse strategic and tactical objectives and Montgomery never fell into this particular error. One of his greatest qualities was his flexibility. If a battle did not go entirely as he planned it then he would adjust his plan, and he was capable of doing this with great boldness and swiftness, for example in the battle of the Mareth Line when he switched his main effort from the frontal assault to the left hook at four o'clock one morning and pulled the victory off after all. At Caen I am sure that he soon came to the conclusion that to break out would cost more casualties than with his shrinking British manpower he could afford and I know that he adjusted his ideas so as to preserve his main purpose, namely, to use the Anglo-Canadian Army as a hinge which should bear the brunt of the enemy counter-attacks, and especially to attract to that flank the bulk of the German armour and so to facilitate and accelerate the American break-out and double wheel which was the essence of his strategy. But it seems to me idle to argue about this at length. By D plus 80 he was where he aimed to be by D plus 90 and the Germans were then in much worse case than he had anticipated, for they had done what he hoped but never believed they would do – fought a major battle on the wrong side of the Seine.

After Falaise progress for a while was spectacular, the Germans were in a bad way and it looked as if, by the end of the year, France, Belgium and Holland would be clear of the enemy. Then arose that argument about future strategy on which so much ink has been spilt ever since. But all that has been written is not enough – or perhaps it is too much – to establish what actually happened. It is certain that sometime in the

latter half of August Montgomery put to Eisenhower two propositions, the first that the system of command which had existed up to Falaise should be continued, and the second that the strategy after crossing the Seine should be based on one single powerful thrust before the enemy had time to recover his poise, the object being to capture the Ruhr, after which we could strike out towards Berlin via the plains of northern Germany. The first of these propositions carried the implication that Montgomery should continue to be the ground force commander, though he very definitely offered to serve under Bradley if that were more acceptable politically in the United States. The second involved assigning the whole of the existing maintenance facilities to the leftward or northward movement and reducing the armies elsewhere to little more than a stationary role. As far as I can make out there was a good deal of 'cross purposes' about the argument, but again some things are beyond reasonable doubt. Eisenhower made it clear that Montgomery's continuance as ground force commander was unacceptable to Americans both in Washington and in the European theatre of war, and contended that public opinion in the United Kingdom would never stand for the supersession of Montgomery by Bradley in that capacity. He further insisted that there should be two main thrusts, one directed at the Ruhr and the other at the Saar. What is obscure is whether he felt that the Germans were in such a bad way that it was feasible to undertake both these thrusts at the same time and to follow them up without pause into the heart of Germany, or whether they were, so to speak, merely the cardinal features in a design for aligning his whole force along the Rhine with a view to crossing it over a wide stretch after due preparation and the accumulation of reserves. Montgomery's book *From Normandy to the Baltic* suggests that the latter is the case and that presumably is why he refers to Eisenhower's preference for a 'broad front' strategy. Other features which make it difficult to pick one's way in this controversy are apparent changes in Eisenhower's assessment of the degree of German demoralization and in his estimates of the maintenance position of his armies as a whole. He certainly consented, despite the rejection of Montgomery's main thesis, to his having a shot at 'bouncing' a Rhine crossing, and for this purpose

assigned him the Airborne Army of three divisions, two of them American, and a limited priority in supplies. This produced the Arnhem project which, though it got over the Maas and Waal, failed to secure a bridgehead across the Rhine. This was partly due no doubt to the fact that by the time the plan was put into effect the best of the weather was already over for the year so that it turned out to be impossible fully to support and reinforce from the air the troops who had been dropped. But apart from that the ground forces available in the crucial area were not strong enough to push through and join up with the most forward of the airborne divisions. The American thrusts further south made substantial but in no sector significant progress. So it had become plain that the adoption of the broad front or two-thrust strategy was not going to secure decisive results quickly and we had now got ourselves involved in two sets of cocked-hat operations—clearing the Rhineland and crossing the Rhine in strength. At this stage Montgomery again raised the question of what he felt to be the mistaken strategy and the faulty command structure. As regards the latter he felt that it was quite impossible for Eisenhower to direct from Versailles the operations of two groups of armies whose headquarters were not far from the German frontier and that the national distribution of command meant that armies from two groups and under two group commanders were concerned with the single objective of encompassing the Ruhr. However, Montgomery was overruled on both points.

Next came the Ardennes counterstroke which temporarily split Bradley's group in two, and Montgomery had perforce to be given command of two American Armies. But as soon as the position had been restored Bradley took the two armies back again so that the system of command which Montgomery deplored was re-established in its entirety. He therefore once more returned to the charge with Eisenhower. It must have been at about this period that the incident occurred which is hinted at both by de Guingand (Montgomery's Chief of Staff) in *Operation Victory* and Moorehead in his *Montgomery*. It is suggested that the Field-Marshal made some remarks reflecting on Bradley and possibly on Eisenhower too at an off-the-

record talk to journalists. I know that the former believes to this day that Montgomery used a phrase about the folly of entrusting the control of military operations to amateurs, which he regarded and still regards as unforgivable. Whatever the truth about this, it is established that Eisenhower – though very tactfully through de Guingand – felt it necessary to read the Riot Act to Montgomery and that the latter for the good of the cause abandoned the argument. Nevertheless it was not quite disposed of, for the Combined Chiefs of Staff put to Eisenhower the two questions of the desirability of a separate ground force commander and a concentration of effort in the north. The Supreme Commander firmly rejected the first and on the second consented to priority for the left flank, observing that this had always been his intention. But by now rapid progress was being made in the south and the contest became largely academic and in any event Montgomery was strengthened by the assignment to him of the Ninth American Army for the operation of crossing the Rhine.

It is perhaps rather pointless to pose the question of what would have happened if Montgomery could have had his way. Nevertheless a number of well-informed and some not so well-informed persons have entered on this pastime and I succumb to the temptation of indulging in it too. Let me say at once that I agree with the view that Montgomery held and still holds, that the war could have been won in 1944 or early in 1945. Sir Francis de Guingand does not agree with him, for reasons some of which are disputed by Sir Miles Graham, the Chief Administrative Officer at 21st Army Group. There is cause to believe that the recollections of Montgomery and de Guingand as to what actually occurred on certain important occasions are not in all respects identical. Anyhow some of the arguments against the Field-Marshal's thesis are merely fatuous. It is said that the plan for a single thrust into Germany was almost criminally rash. But this came in the main from people, including some of the British officers at SHAEF, who had from the time of Alamein onwards been belabouring Montgomery for timidity and lack of enterprise. I think it is absurd to describe the Field-Marshal as timid. Certainly, like Alexander, he was determined not to subject his troops to anything like the carnage of the

Somme or Paschendaele in the earlier World War, and he was very conscious of his dwindling British manpower. Moreover he was concerned that the invincibility legend he had so deliberately built up should not be weakened and in consequence he neglected or omitted nothing of preparation and foresight that was necessary to victory. But all this being so, is there not the strongest of presumptions that, if he so passionately believed that he could make a success of the single thrust into Germany, he must have been right? I dismiss the argument about the danger to the flanks that the single thrust would have involved; a force of a million men or more hasn't got such a narrow frontage as all that.

For what it is worth then I believe that the war might have been over by Christmas 1944 if Montgomery had been given his head and that we should have got to Berlin before the Russians, with the probable corollary that the effective iron curtain could have been drawn further to the east. This belief rests, and it could only rest, on imponderables. I have seen many manifestations of the sublime confidence in Montgomery of his own soldiers. I share that confidence though not altogether for the same reasons. For example, in addition to the argument from his unbroken record of success I would adduce the fact that Montgomery had an uncanny way of judging how his opponents would react to his moves and of being ready to counter them. Like Lloyd George in another sphere, he was almost unique in being two or three steps ahead of anybody else. Then I point out that what he prophesied as the consequences of not adopting his view did in fact come to pass and, finally, that many of those who opposed him were guilty of having it both ways – in other words of accusing him of timidity when it suited them and of rashness when that fitted their argument better. But the one thing certain about Montgomery is that professionally he is all of a piece. But having said all this, let me add that it would have been very difficult for Eisenhower to give Montgomery his wish. He would have had great trouble with that modern Jeb Stuart, General George Patton, if he had ordered him to stop and give up all his maintenance resources – and all his limelight – to Montgomery. Moreover it is more than probable that Washington would have overruled the Supreme Commander if he had been disposed to accept

Montgomery's propositions. It was all very well for the latter to point out that victories and not public opinion win wars but in democracies public opinion cannot be lightly ignored even when it is wrong. Eisenhower would have had to be utterly convinced that the British commander was right and to have pressed this conviction on Washington with the greatest persistence if it was to have any chance of acceptance. But if both of these had been the case what then? Anyhow 'it's over, and can't be helped, and that's one consolation, as they always says in Turkey ven they cuts the wrong man's head off'.

I hope that my possibly disproportionate disquisitions on some of the strategic controversies of the war do not convey the impression that relations between the British and American forces were one long conflict. In fact they were amazingly good and much of the credit is due to General Eisenhower. The situation of generals commanding armies comprising contingents from two or more nations has never been an easy one. Marlborough and Wellington were soldiers of the rarest genius, but it is beyond doubt that their plans and operations were at times seriously embarrassed by frictions arising from discordant national susceptibilities and policies. Eisenhower's troubles in this respect were smaller than theirs but he did show immense skill and tact in managing his heterogeneous charge, which incidentally included – and it wasn't an entirely unalloyed blessing – at all relevant times not one but two geniuses – Patton as well as Montgomery.

Whatever one's view of what would have happened if different decisions had been taken in August 1944, the war was not over by Christmas. The Germans stiffened up and fought desperately in defence of the Rhineland and the Rhine barrier. They staged a heavy, and for a few days, alarmingly successful counter-attack in the Ardennes. But when this turned to failure it could be seen that Hitler's days were numbered. The Russians had crossed the eastern frontiers of Germany. Attack after attack was launched in overwhelming strength and each one gained large tracts of the Reich.

By now McArthur had broken through Japan's outer defences and was heading inexorably for the Philippines. He had decided to go direct for the enemy's heart and thereby to save a year on the more

circuitous and methodical strategy he had originally contemplated. In south-east Asia, after a last threat to India at Kohima and Imphal, the Japanese had been driven south of Mandalay and it was in this theatre that it first appeared that the fight had gone out of the Japanese.

The events of 1945 are perhaps still too recent to need more than a sentence or two. The crossings of the Rhine, advances to the Baltic and deep into Saxony; the Soviet devouring bigger and bigger chunks of Germany and finally occupying Berlin; in Italy, in spite of the withdrawal of further divisions for the landings of August 1944 in the French Riviera and yet others to assist in the Rhine crossings, Alexander's break out into the plains, his race to Trieste (which beat the Jugoslavs by a short head) followed by a wholesale German surrender involving more than a million men and by the Anglo-American invasion of Austria to join up with the Russians advancing from the east — all of these and more, until there came in the early days of May the surrender of the northern German armies to Montgomery at Luneburg Heath and the final act of unconditional capitulation signed in Berlin. The Japanese were still in the field but they had been cleared out of Burma and were awaiting attack in Malaya; McArthur was overrunning the Philippines and heavily bombing the main islands of Japan. In the United Kingdom arrangements were being made to re-deploy part of our victorious forces in the Far East, both for Malaya and under General McArthur's command. This re-deployment was going to be a matter of great complexity and difficulty because it would have to be combined with a substantial measure of demobilization. However, the plans were ready. But then came Hiroshima and Nagasaki and the Japanese collapse, and in August that war too was over.

IV

It would be an unfitting epilogue to this tale of triumph to attempt an appraisement of the relative national contributions and sacrifices which went to make it up. But nevertheless some things must be said. Great Britain as a country was undoubtedly more fully mobilized than any

other Ally and probably than any other belligerent. It suffered greater injury to its economic fabric than any other Allied country in relation to its population and its previous situation. The devastation of some of our big cities by bombing, the loss of twelve million tons of merchant shipping, the incurable distortion caused by the concentration of industry, the transformation from a creditor country with £3000 millions of foreign investments into a debtor owing an amount of the same order, the disappearance of the financial supremacy of the City of London – these have meant almost irreparable damage to our nation. But against this Pentecost of calamity there is to be set the glorious fact that but for the British Empire Hitler would have got his way. If we had not held on alone after June 1940 he could in due course have turned against Russia with all his might. There would have been no Britain to threaten his rear and he would be a rash man who could confidently assert that the precedent of 1812 would not have been reversed. In that event Hitler would have been the undisputed master of Europe and of a good deal of Asia and Africa as well. We should not forget this in the midst of our post-war troubles, disillusionments and falterings. To Britain and the Dominions, India and the Colonies – to us alone was it granted to endure from beginning to end and never give in.

But if without us there would have been no victory, let us be thankful that our isolation lasted no more than a year and that the folly of our enemies brought in against them other countries with populations many times those of the United Kingdom and material resources by far surpassing those of the whole Commonwealth. And before the end their current contributions greatly exceeded ours. Neither Russia nor the United States entered the war voluntarily but the sacrifices of the one and the lavish generosity of the other we can never forget, and never remember without deep thankfulness.

In the Allied effort the ground forces were the biggest factor and this is bound to be so in any decisive major war. It is only an army which can destroy the enemy's army and occupy his territory. Here too Britain made its full contribution and more. Before the war began it had been calculated that the effort of our Army would be subordinate to that of the Navy and Air Force or at any rate that it would be con-

fined to the defence of our own territories. But events forced it to fight all over the world and in the days of its unpreparedness it experienced set-backs, defeats, disasters. Nevertheless it survived all these and with its allies turned to the offensive. From the autumn of 1942 the British Army never looked back and it shared in the honour of defeating the enemy in four major theatres of war. Often we were given the more difficult and less spectacular tasks. After Alamein we failed in none of them. The numbers of the enemy who surrendered to our forces greatly exceeded our total strength. In the end the British Army emerged from the great tribulation into the true glory.

Who in and about the Army were the prime agents in this translation of defeat into triumph? Of those who went through the fire with it who are the most worthy of praise? So far as the military leaders are concerned I thought I was answering this question when I wrote articles on six of our generals for the *Sunday Times*. The six were Field-Marshals Lord Alanbrooke, Lord Montgomery, Lord Alexander and Sir John Dill and Generals Sir Bernard Paget and Sir George Giffard. The choice represented a carefully considered judgment at the time and I see no reason for altering my conclusions now. The articles were written two years ago, I have read them again and I find in them little, if anything, I should wish to change today. They can still serve as the justification for my selection and I have therefore reprinted them without alteration in the Appendix to this book.

There will be many who will challenge my list. There are certainly generals of well-known names who enjoy a higher public esteem than some of those in it. In the case of more than one of these I believe the reputation to be beyond the merits and achievements of its possessors but history will settle all these questions in due course and in the meantime opinion is still free. I am a little sad at not mentioning the names of other officers who held high but not quite the highest positions, as commanders in the field, as staff officers or in administration. Many of these did noble work and displayed great resolution and skill but except possibly for General Slim, whom I managed to miss all the time I was in India, and whom I only met once in the flesh during the war, I do not think that I want to add any of them to my 'Big Six'.

Having been brought up on the examination system and having in my school days contended feverishly for order marks, I find almost irresistible the temptation to try to arrange the six in order of magnitude. But I am going to forbear all the same except to the extent of saying that I do find it possible to pick out three of them who have played a more characteristic and definable part in our military affairs than the others. Perhaps it is only that these were the three with whom I attained to the highest intimacy and regard but, whatever the explanation, I held this view and here it is. Lord Alanbrooke was the supreme thinker of the later war years, the master mind in strategy who left his unmistakable imprint on our plans from 1941 to 1945. He took office as C.I.G.S. during the period of our deepest discouragement; he left it only after we had destroyed all our enemies and fortunately for him before victory had turned to dead sea fruit. General Paget, like Sir John Moore, trained a matchless instrument for another to use. I know of nobody who could have produced such an army as he did without any of the glamour and excitement and conditioning arising from active service. What kind of army it was, Montgomery, the incomparable commander in the field, was able to show. Together they went, Montgomery and the Army which he received from Paget, from Normandy to the Elbe without as Mr. Churchill said 'losing a battle or even a serious action'. In some ways I would like to enlarge on my earlier picture of Montgomery, but already a whole library has been written about him, his personality, his complexes and his campaigns. I therefore content myself with two quotations. The first is a short leading article which was printed in the *New York Times* of September 11th, 1946:

THE VISCOUNT OF ALAMEIN

> Field-Marshal Viscount Montgomery of Alamein, Chief of the British Imperial General Staff, is touring the United States this week as a guest of the United States War Department. We are hosts to one of the great generals of the war. Like him or dislike him, think him a poser or what you will, the record is too clear to deny him his standing as a great tactician. A point that is too often

overlooked is that he won two of his greatest victories – both at El Alamein – without the superiority of airpower and gunpower and manpower that the Allies had in the later stages of the war.

Perhaps because he has become such a controversial figure, little public ceremony has been planned for his visit. What entertainment is scheduled is largely by the War Department: visits to military camps, inspections, staff talks in Washington and elsewhere. Because he is essentially a shy man, or so his friends evaluate him, this is probably as he wishes. But it is not the sort of welcome which we are accustomed to give war heroes or which has been extended to others. So far as New York City is concerned under present plans, Montgomery might as well have visited us incognito.

Montgomery has made only fragmentary answers to his critics. Or, rather, he has attempted to explain the strategy and tactics of only some phases of his military campaigns. He probably does not consider it a defence. The time is not yet, he says, to publish his memoirs, which, presumably, will tell the whole intimate story. Judging him as a general strictly on the basis of the results obtained, no one can deny him his standing. The two El Alameins, Tripoli, the Mareth Line, Normandy, the Seine, Antwerp and the Ardennes have given him a reputation that cannot be more than momentarily tarnished. In the history of the second World War the name of Viscount Montgomery of Alamein – the title he took when raised to the peerage by King George VI – will rank at or near the top among the generals of the United Nations.

The second gives the concluding words of a quite admirable sketch by the American War correspondent, Drew Middleton. He says, and really it leaves no more to be said:

But he won battles and that is what generals are for.

Each of my super choices would, I have no doubt, say how much the country owed to the remaining three of the six, and to many besides, their coadjutors or subordinates, known and unknown, who carried

out their instructions, wishes and policies. And there are two others who are not generals at all, without whose collaboration all their efforts would have been unavailing. I refer to Thomas Atkins and Winston Churchill, and I propose to say a few words about each of these.

But before I do this there is another debt to discharge. Seeing that I was, for the whole period of the war, connected so intimately with the Army it is natural that I should think and write primarily of it. But it would be monstrous even to appear to pass over the stupendous contributions of the Navy and the Air Force to the common cause. For their specialized efforts both of these Services have enjoyed chroniclers far abler and more eloquent than any the Army have ever found and in this sphere I make no attempt to compete with them beyond saying how undiminished in my eyes is the glory of the Navy's struggle to keep the sea lanes open and of the heroic success of the pilots of the Battle of Britain. And let me remark here, by way of aside, how wise was the decision of the then Chief of the Air Staff not to throw all his too few fighter squadrons into the Battle of France. But there were other enterprises, not materially less notable, in which the Navy and Air Force were associated with the Army and it would be very wrong not to say a word of thanks and praise about these.

First I put what the Navy did for the Army at Dunkirk. There was a time when those in authority thought we should be lucky if we got 30,000 men away from France out of our eleven divisions. More than ten times this number were retrieved thanks to the skill, resource and bravery of all those who strove under the direction of Admiral Sir Bertram Ramsay. Later on it was this same Admiral Ramsay who was responsible for transporting the second and more fortunate Sicilian Expedition from all quarters of the compass to their assault stations and for landing them successfully. And later still he was in charge of all the naval arrangements for 'Overlord'. On both occasions he made it his business to inject into all concerned a shot of cold realism but he performed not only more than he had promised but all that the Army could have wished. We experienced many other benefits at the hands of the Navy but these are the ones which will remain with me longest.

With the Air Force relations were not so simple. There was a history of a quarter of a century of squabbling between the youngest Service and the other two, both of whom had fought bitterly against its creation as a separate entity during the last World War and had made more than one attempt to re-absorb it since. This meant that not sufficient attention had been devoted to a serious formulation of the principles under which the Services could work together and certainly there was little comprehension in the Army of the limitations on the use of the air arm in its support. For instance, there were bitter complaints from men waiting on the beaches at Dunkirk that, though they were being dive-bombed at short intervals, they rarely saw a British plane in the sky. And in the Western Desert there was the greatest discontent because the Air Force did not answer all the calls from battalions and even companies for immediate protection against dive-bombers or panzers. This provoked, I dare say, on the other side the feeling which may not unfairly be described in the terms that the Army did not know what it wanted and that if it did it couldn't have it. There soon arose therefore a demand that the Army should have its own separate air arm and it was at one time very difficult to prevent this contest from taking precedence over the one against Hitler. However, there was always a nucleus of sanity in the air counterpart of Anti-Aircraft Command and in particular in Number Eleven Group under the charge of Air Marshal Leigh Mallory. But it took a long time for sanity to spread and when it did it was primarily due to Montgomery in the Western Desert. He proclaimed from the outset that the great thing about air power was its flexibility, the speed with which it could be concentrated or switched; the control of the air in a land battle must therefore be centralized and command exercised through R.A.F. channels. But the general plan and objectives were for determination by the military commander, of course in consultation with the air commander. Above all, the two must live cheek by jowl throughout a campaign and must see that an effective basis of collaboration is worked out. From this system, designed for a single army in the desert, grew the Tactical Air Force conception which prevailed in 21st Army Group. Paget was to a material extent responsible for the adoption of this, though it was

an obvious adaptation of the Desert Air Force and was afterwards developed and given dogmatic sanction in a pamphlet by Montgomery. It is noteworthy that Leigh Mallory was the Air Commander-in-Chief for 'Overlord' for the whole of the period up to September 1st, 1944, during which Montgomery was the ground force commander. It would be idle to contend that the solution of the problem of Army-Air co-operation in land warfare and the subsequent solution of the problem of using airborne forces disposed of all controversy. There were always those who came very near to thinking that wars could be won by strategic bombing alone, and indeed anybody who has seen the destroyed railway bridges in France or the centre of Berlin, or Cologne and Essen, will realize how much it owed to Bomber Command and the American 8th Air Force, and will remember how heavy was the cost in the lives of air crews. But in the end, as I have just said, wars are won by armies conducting offensives for the purpose of destroying the enemy's forces and occupying his territory. The obvious truth that these land operations must be combined Army-Air operations was discovered late, but luckily not too late.

Now I must come back to Thomas Atkins or the 'British Other Rank' as he is officially described. I start by quoting from Lord Montgomery's speech at the Guildhall on July 18th, 1946:

> The British soldier did not perhaps receive the publicity he deserved during the war. Much was heard – and rightly heard – of the great deeds performed by our Empire brothers and by our Allied friends. I myself commanded soldiers drawn from all parts of the Empire and from many Allied countries. I have good reason to know the fine fighting qualities possessed by these gallant soldiers. The war could not have been won without them. But amongst them in the forefront I place the unconquerable figure of the British soldier – the man who bore the heaviest burden of the war and carried us all to victory.

The key word is 'unconquerable' and when all my attempts to draw a portrait of this composite and complex individual fail I shall come back to that word.

Many attempts have been made to depict the typical British soldier. It is a very daring undertaking, seeing how diverse and individual we are as a race; there cannot be a typical representative of a people whose only racial characteristic is its individualism. And yet Montgomery surely got near the truth when he said in the speech to which I have just referred that the British soldier is British with this difference – that the sturdy independence and individualism which he has acquired from 900 years of freedom has had superimposed upon it by military training a certain fixed pattern of behaviour. In other words he has become disciplined. From the freedom there has developed self-reliance and resourcefulness, incurable good humour and a toleration which shades into gentleness and kindliness towards the weak, the unfortunate and little children. From the discipline there comes comradeship and the ability to endure hardship and overcome disaster. He certainly had his share of hardship and disaster and, to quote again from Montgomery's Guildhall speech, he had plenty of opportunity of showing that 'we can fight longer without success than any other people'. This time the adverse tide ran for fully three years, the waters often went over the heads of our soldiers and they had to swallow much bitter humiliation. But when the tide turned, let us see – and I quote from an account which I wrote of my visit to North Africa just after the close of the Tunisian campaign of 1943:

> I saw the British soldier in a great variety of surroundings, engaged in a great multiplicity of tasks. Wherever he was he was perfectly at home, whatever he was doing he was completely master of his job. Spare, sunburnt, responsible, dignified, confident, he had the look of men of a race which had counted in the world for hundreds of years and which would count in the world, not only in the period of reconstruction immediately after this war, but for hundreds of years beyond that.

And again:

> I remember that the Prime Minister was very much struck with the bearing of the troops as they marched past him in Tripoli. It is

impossible not to be struck with men who all have the air of being seven feet high. The confidence and efficiency of the British soldier, after all the humiliations and misfortunes of the early years of unpreparedness, was to me an assurance not only of the victorious end of the war, but of the destiny of the British race in a post-war world faced with the journey back from chaos and tyranny to ordered freedom.

At the time of writing, the British people do not appear to be unduly conscious of their destiny and they certainly haven't yet got back to ordered freedom. But there is among them a leaven of soldiers who have looked on tempests and have not been shaken. By universal consent they were steady and patient in the period of demobilization and, back in civil life, they are public-spirited, stable and resourceful. No new tempest can daunt them and in time they will, by God's grace, leaven the whole mass.

In case anyone thinks that I have idealized the B.O.R. too much I will bring in American aid and by way of postscript I reproduce here a salute written to him in 1945 by my friend Dr. George Stewart who during the war lectured to our troops all over the world, trying to interpret to them the great democracy across the sea which shares our language, our love of liberty and our basic belief in the rule of law.

AN AMERICAN SALUTES THE BRITISH O.R.

It has been given me to know you in some 22 countries throughout the world in the present conflict. You can take blame without complaint. It is hard for you to receive praise. But before departure may a stranger among you say a word which is in his heart?

For years in desolate outposts, won at fearful cost, you have maintained and guarded lines of communication, enduring heat, tedium, hazard, loneliness, and separation from home, with a patience which has been unequalled.

You have campaigned in jungles not only with a savage enemy, but with foes as formidable, malaria, dysentery, vermin, monsoons, trackless forests, mountains, and cruel streams.

You have companied with death and disease, with the terror by night and the arrow that flieth by day, nor lost that grim ironic humour which has fortified your own soul and steadied your friends.

You have brothered strange tribes of many colours, learned their speech, taught them health, how to soldier and to work, to honour the King, and to do their just share to rid the world of an evil thing.

You have laboured and fought in alien lands, surrounded by every type of confusion and temptation, and have kept your head.

You have borne overseas service longer than the soldier of any other army. Through years when the face and form of wife and child or sweetheart were hard to keep before the eye of memory, when letters were difficult to write because all that could be said had so often been written, you remained steadfast.

You have known disaster, have lost with honour, your faith undimmed in eventual victory.

You have known staggering success without the lifting of an eyebrow.

You will be the despair of those who too easily plan a new heaven and a new earth, for you will keep what the world sometimes calls stolidity, but which is an inner core of healthy scepticism and sanity.

You profess little knowledge of history, but your roots go deep into a land which, for a millennium, has blessed the earth by her slow and steady march towards freedom and light. You are radical in speech, but slow to give up tested ways. Those in great haste will despair of you.

You will also disappoint the fears of many who have heard you, in all your dialects, criticize the standing order with a fierce zeal for justice and reform. You will strive for a larger life, but you will not wreck the good to achieve a theoretical better. Your humour, your scepticism, and your patience will save you from the nostrum of the quack.

In great cathedrals, in shabby chapels, in field services in the

open, in palm-leaf shacks, with your body steaming in the heat, in churches of your own building, I have seen you, shy of speaking of your faith, wash your spirit clean in old hymns and ancestral prayers, renewing the springs of inner life. You and your Sovereign are still Defenders of the Faith.

The women of your land have shared your uniform, your perils, and your work. They have never failed in a dangerous moment, nor have they missed their portion of the soldiers' noiseless pain in long years of waiting.

To you, Tommy Atkins, my hat is off in a sincere salute. You have what it takes. You are a stout fellow.

Faithfully yours,

GEORGE STEWART.

(Dublin, New Hampshire)

Cairo, *June 1945*

V

Finally there is Mr. Churchill. As I suggested much earlier in this book, I find him changed in no essential between 1924 and 1942, whether as regards his qualities or his methods. The latter naturally had to take account of the enlarged scope and increased tempo of his necessary activities and were adapted accordingly. He had a larger staff of private secretaries. In addition, the Secretary to the Cabinet was in constant touch with him and he had his own special representative sitting daily with the Chiefs of Staff Committee. Besides presiding over the War Cabinet he also took the chair at meetings of the two Defence Committees – one dealing with Operations and the other with Supply questions. The meetings of these often took place after dinner and herein was one of the novelties of detail in Winston's later habits. During the war he took to resting for a few hours after lunch – in fact actually going to bed, whence he reappeared as a giant refreshed in the late afternoon and with stores of energy which carried him on to the small hours of the morning. Most of those who attended the night (and early morning) sessions had perforce already toiled

through the afternoons and some of them became very sleepy before their night's labours were over.

In addition to all this official machinery Mr. Churchill had a kind of private Brains Trust under Professor Lindemann (later Lord Cherwell). The Professor himself acted as a kind of Scientific Adviser to the Ministry of Defence; his organization included a statistical staff who were required, among other things, to apply statistical methods to all the measurable activities of government and to direct the Prime Minister's attention to progress or the lack of it. Then of course Winston had to keep in touch with currents of opinion in the House of Commons and Fleet Street, which he did, not only directly, but through his Parliamentary Private Secretary, first Mr. Brendan Bracken and afterwards Mr. (now Sir) Harvie Watt. The former left the particularly intimate association proper to a Parliamentary Private Secretary to become Minister of Information and in this capacity he naturally retained many of his very close contacts with the Prime Minister.

The daily outpourings of minutes continued, but as Winston's responsibilities now covered the whole range of government and most of the world, they were much larger in number and, seeing that we were at war, they were more vehement and urgent in expression. Many of them carried a special label stuck on with the Prime Minister's own hand 'Action this day' and quite a lot of them contained sentences beginning with that prelude to peremptoriness 'Pray'. The minutes thus acquired the generic name of 'Prayers'. Mr. Churchill once spoke in the House of Commons of his habit of bombarding his Ministers with these 'Prayers' and explained how he had forestalled resentment by addressing them to all with equal plenitude and stridency. They naturally had varied origins: his own observations and imagination, paragraphs in newspapers or rumours from Fleet Street, the Smoking Room gossip, complaints or requests elicited by visits to factories, military and other units, or bombed cities. I have always upheld as the first rule of administration, 'never keep dogs and bark yourself'. Naturally therefore I sometimes found myself bristling at this proliferation of Prayers. But looking back, I am prepared to say that it

was good for us to be made to live as ever in our great taskmaster's eye and to be kept up to the mark, that many new ideas and improvements resulted from Winston's suggestions or from the stimulus to our own inventiveness furnished by them. All the same I think that equal results could have been achieved by a somewhat less voluminous outpouring and further that we might have been spared some of the more theoretical disquisitions originating from the 'Brains Trust'.

Over and above all the activities I have mentioned there were his contacts with the Supreme Commanders and with our own commanders at home, abroad or at sea, and the vital matter of his relations with Roosevelt and Stalin, involving occasional meetings and almost daily personal messages. One of the most striking things about Winston as a war-time leader was his more than scrupulous loyalty to our allies and those who represented them. Stalin and Mr. Churchill seemed to get on well enough when they were together but when it was a question of messages the voice of Moscow was gruff in the extreme. It was almost as if Stalin was willing to work in with his allies but was continually being pulled back by Molotov – or perhaps it was only a case of Spenlow and Jorkins. Anyhow in practice the Russians did very little for anybody's beautiful eyes but their own. Towards Roosevelt Winston's feeling was like that of most of our countrymen, one of profound gratitude and admiration and to that was added affection. I doubt if the President had it in him to be so unreservedly warm or so candid. And he did not always act with scrupulous propriety in joint theatres of war. He put undue pressure on us in the matter of India and the conduct of his special emissaries there and elsewhere was sometimes embarrassing and even damaging – especially as their reports always seemed to find their way at once into the hands of the two most widely listened-to broadcasters in the United States. I have often thought that there is a measure of truth in Mr. Elliot Roosevelt's account of his father *en pantoufles*. I was shown not long ago some private letters I wrote during the latter part of the war. Apparently I imagined that I saw signs of the President's having come to the conclusion that Britain was going to be in a pretty poor way at the end of the fighting and that there would be left

in the world only the American and Russian Colossi who counted. I thought that he was 'making up' to the fissiparous elements in the Commonwealth and that his policy, both as regards some of the Dominions and some of the more important of the Allies, was 'Codlin's your friend, not Short', so that the United States fell short of the perfection of consideration for us. On the other hand there is no doubt that Mr. Roosevelt was our good friend when we were in the direst peril, that he was personally responsible for the Lease-Lend policy and that he was determined to bring America into the war at our side at the earliest possible moment. Whatever the truth about Roosevelt, Winston 'fell over backwards' – to use an Americanism – in loyalty to our allies. He always tried to appreciate their view, he continually pressed the British forces and commanders – and workers in the factories too and women in the home – to take more than their share of the joint sacrifices; he insisted on sending supplies to Russia that we sadly needed ourselves, he almost worried the life out of the Chiefs of Staff to find some means of bringing indirect aid to the Russians in the dark days of 1942, and only once, in spite of all temptation, did he remind Stalin of the Molotov-Ribbentrop pact of friendship in August 1939. I think he always foresaw the possibility of a resumption of Russian expansionism after the war, but never by a hair's breadth did he deviate from the course of uncalculating good faith that he had marked out for himself and his country.

Another fact to be noticed is that on no occasion during the war, so far as I am aware, did he say one word of reproach or 'I told you so' to that majority of the Tory Party who had ostracized him and his friends after Munich, though he not surprisingly showed an unyielding attachment to those who had gone with him into the wilderness. And again he always seemed to me to be more than scrupulously fair in holding the scales even between the Conservative and Labour elements in his Government and in ensuring that the former did not secure any political advantage over their bedfellows and insisting that policy must be genuinely national. Most of the Socialist Ministers were grateful for this and in public they loudly sang the praises of their revered war-time leader. But this did not prevent the party machine

from building up its position in the constituencies throughout the war and I have no doubt that this was one of the principal causes of the surprise defeat of Mr. Churchill at the 1945 election. I expect that the Labour hierarchy is more than sorry that national unity was not carried forward into the years of peace, with their difficulties so much greater than those of war. Some of them said in 1945 that it might have been so if Winston had refused the leadership of the Tory Party in 1940. Lots of people thought at the time he had made a mistake – but in politics a man without a party machine behind him doesn't last long and the lot of the professional Cabinet-makers in France has never been a happy one.

I am tempted to animadvert on the ingratitude of the electors in 1945, but this is an old *motif* in British public life and Winston is not the only Churchill who has suffered from it. It will be much better simply to remind ourselves what his services to his country have been. These did not, of course, begin in 1940 or even with the beginning of his three years of ceaseless warning against Hitler's Germany. It has been said that it was the rejection of his warnings by the Tories that led to their electoral defeat in 1945. But did Labour any the less reject his warnings? And anyhow the defeat of the Tories – or rather the coalition of Tories, Liberal Nationals and others in 1945 – involved the extrusion of the man who guided us out of the disasters which followed the universal neglect of his advice. In 1940 we were on the brink of destruction and for five years Mr. Churchill led, indeed he was the embodiment of, the nation. In the earlier days he bore disappointments, defeat and tragedies with placidity and stoicism, almost with nonchalance – for he often gave me the impression in the presence of bad news of a large retriever coming up from the water shaking himself. And in the first onset of disaster he never sought to console or protect himself by fastening the blame of it on to the immediate instruments. Later on, it may have become necessary to pass judgment and execute sentence and sometimes the sentence was severe and the accompanying judgment harsh, but the immediate impulsion of defeat was to search for the means of stemming and redeeming it.

In after years when the tide had turned to victory I occasionally

thought that he was somewhat too impatient for spectacular and decisive results and that in his impatience he could say wounding things about his commanders. But when the resounding successes came he was more than generous in his amends.

I have already spoken of his indefatigability and resource, and of how he never spared himself in the cause. Nor did he spare others. It will not surprise readers that I have a considerable number of memories to prove the persistence of his gaminesque humour during these years. Some of the best of the Winston stories belong to this time, but the victims of them are still alive and would be easily recognizable, and so the anecdotes must remain as household words for a little longer.

Then there were the magnificent speeches. Winston himself said that he did no more than reflect the spirit of the great mass of his fellow countrymen. I have said already that I think there was more to it than that. He seems to me in truth to have caught the mood of the people and to have clothed it in deathless language. And in so doing he transmuted the metal of the people to gold – gold durable, and, while the war lasted, without dross. I remarked in Chapter Five that I could sometimes discern in Winston the conflict between the artist and the man of action. In 1940 and for some years afterwards there was no conflict – artist and statesman were in perfect harmony.

Nobody who knows either or both of us will be surprised that I more than occasionally found myself disagreeing with Winston and arguing with him. I have certainly never shown any disposition to forget the words which he himself wrote in *The World Crisis*:

> The temptation to tell a Chief in great position the things he most likes to hear is one of the commonest explanations of mistaken policy.

The occasions of controversy were mostly matters of administration or appraisements of individuals. As often as not they arose not out of a considered conclusion by the Prime Minister himself but from something he had taken blind from one or other of those official or unofficial advisers who purported to lighten his burdens. I do not remember differing seriously from him on any major or secular

question — where his own strong and informed historical judgment seemed to me to make him almost infallible, even though circumstances rendered it impossible for him to make his views effective. In any case the facts of the arguments are well enough known to ensure for me an acquittal from any charge of servility or sycophancy, if I offer my meed of deep affection to one who as a war leader ranks with Chatham and Lloyd George, who is an incomparable master of our English tongue, and who is so unmistakably today Triton among the minnows.

CHAPTER TEN

EPILOGUE

On VE-Day the House of Commons went in procession across the road to St. Margaret's, Westminster, to thank God for their deliverance and victory. Tory, Labour, Liberal – they walked together, almost hand in hand in fact, and bowed in unison to acknowledge the plaudits of the crowd at the triumphant conclusion of a common enterprise jointly undertaken. So far as my recollection goes, that was about the last real manifestation of national unity – except possibly for the Victory parade in June 1946 and that I could not attend owing to my absence in the United States. Party speeches and manœuvres had started some time before the end of the war in Europe, but Mr. Churchill did his utmost to preserve the united front and carry it over at least to the end of the war with Japan. Some of the Labour leaders were at one with the Prime Minister, but the caucus would have none of it so that it was decreed that peace should be maintained for no more than six weeks after the end of friendly relations and that everybody should thereupon fight it out on the hustings. At the time it was calculated that to finish off the war in the Far East would take another eighteen months and Mr. Churchill decided therefore to try to salve as much as was practicable of community of purpose after the defection of the Labour Party and those Liberals who answered the helm of Lady Violet Bonham-Carter. He accordingly formed what has been called the 'Caretaker' Government and he asked me to continue in this as Secretary of State for War. After no little anxious thought I agreed, in the belief that there was at least eighteen months of difficult work to do on behalf of the Army and, I am bound to say, in the hope that something after all might turn up to restore national unity and to prevent an early General Election. However, the election was not prevented and I found myself involved in a contest in East Cardiff. It was a three-cornered affair, for the Liberals who, in common with the Tories, had adopted me as their candidate in 1942 put up

another nominee in 1945 without saying a word to me about it. Nevertheless I went on describing myself as a 'National' candidate – sharing this distinction with Sir John Anderson and Sir Andrew Duncan – and I refused to make any promises except to do my best for the soldiers for the rest of the war and during the early days of demobilization. But I did make it clear that I didn't believe in Socialism. Some of the meetings in the working-class wards were pretty rowdy though it all seemed to me good-natured enough and it never entered my head that either the Government or I in particular would be beaten. So far as I was concerned, I was told, in the interval of three weeks between the poll and the count, by one of my friends, who had been the Labour member for a neighbouring constituency for many years, that all the indications were that I had been returned. As regards the Government generally, is there not the story – which I am confident is more than *ben trovato* – of a visit by Mr. Harold Laski to Mr. Attlee to invite him, now that Labour had lost the election to make way for a more inspiring leader? And it is the fact that the most optimistic of all the Labour prophets forecast no more than a bare majority over the other parties combined. On a proportional representation basis this is not far from what the actual votes should have produced but, as it turned out, the Labour Party with a fraction less than half the votes had secured two-thirds of the seats in the Commons and were thus in a position to steam roller through the lower House any changes they chose to make in our social and economic structure. I myself was beaten by a majority of 5000 but, things being what they were, I could quite sincerely take the line that the grapes were sour and that I was very glad to be out of the political world. On the other hand I was without visible means of support. I was no longer a Civil Servant, I was no longer a politician and I had no other profession or assured livelihood. Nevertheless I decided to take at least three months of peace and quiet before I looked around for a job. I busied myself with reading or re-reading the books I had neglected for so long, but I had plenty of time for watching the development of the brave new world which had been ushered in by the Labour victory at the polls.

Of the four hundred odd Labour members of the 1945 Parliament

not more than a third came from the Trade Unions, who nevertheless continued to provide the bulk of the party funds. The remaining two-thirds were from the intelligentsia, a considerable number of them from the public schools and the older universities. And it was known that at least a hundred of these could be reasonably classed as of the extreme Left, if not as definite Communists or fellow travellers. By their promises at the election the party had committed themselves to a wide measure of nationalization of key industries, to the indefinite continuance of many of the war-time controls, to higher wages and shorter hours, to the institution of the Keynesian doctrine of 'full employment', to the implementation of the Coalition Education Act (involving among other things the raising of the school leaving age, free secondary education and free meals for school children), to preventing increases in the cost of living which would diminish the value of the people's savings, and to the early initiation of vast new schemes of social insurance, children's allowances and workmen's compensation, and an ambitious housing programme designed to replace the dwellings damaged by bombing and to make up the deficit caused by the cessation of building for the six years of war. What condition was the country in to achieve or stand this programme?

Long before the second World War we had lost the advantages of having been the first in the field in the Industrial Revolution. But we still had in 1939 a considerable part of the fruits of our early start, for we were even then on balance a creditor nation to the tune of £3000 millions or so. The interest on this (or in bad years the recall of some of the capital) together with the earnings of our merchant ships and of the banking and insurance firms in the City of London enabled us to meet the persistent adverse balance of visible trade and to preserve a standard of living second in the world only to that of the United States. But now we were a net debtor on foreign account to something of the same order of magnitude, we had lost more than half our merchant fleet and there was small prospect of a rapid restoration of the earnings of the City of London to anything like their former level. We should no longer be able to support an adverse balance of trade out of the fruits of the industry, abstinence and ingenuity of our forefathers. If we

wanted to preserve a high standard of living we should have to export much more than we did before the war and import less than we were now doing, and that without affecting adversely the supplies of necessary food or of raw materials for our industry. It was obviously going to take time and a great deal of persistence to get to this. Most of the ten or eleven million men and women who had gone into the Forces or munition factories would have to be demobilized. Not all of them could be expected to revert to productive occupations, for the numbers included many recalled pensioners and other persons of ripe years and married women, who would, on the cessation of hostilities, want to go back to the care of their households and families. Then we had also to deal with a large number of businesses normally making consumption goods which had been shut down during the war under the concentration of industry plan, and with the hundreds of thousands of properties, many of them factories and warehouses, which had been requisitioned for war purposes.

We had one stroke of luck in the unexpectedly early cessation of the Japanese war in August 1945, but this was a good deal counterbalanced by the American decision immediately to stop Lease-Lend supplies to the Allies. However, we got large loans on what then seemed and ought to have turned out to be easy terms, from the United States and Canada and these it was hoped would bridge the gap between necessary imports and exports up till 1951, by which time we should have to be in a position to pay for our imports and provide interest on our net foreign indebtedness out of the proceeds of our own exports. To achieve this result we should have to increase the volume of these exports to one and three-quarter times the 1938 volume, which involved a prolonged course of abstention from consumption, of pushing up output per workman employed and of increasing the capital equipment of productive industry.

Apart from the inherent difficulties of the transition from war to peace, there were other obstacles to the realization of these objectives. Taxation was very high. On the top slices of income of those accustomed to draw large salaries Income Tax might be as high as 19s. 6d. in the £. On the marginal earnings of the workers tax was charged at

10s. in the £. In pursuance of the Keynesian policies interest rates were to be kept low and even reduced. All the 'carrot' incentives to enterprise, hard work and savings were absent. Moreover by the promises of full employment and insurance against all social risks most of the 'stick' inducements had been removed too.

Altogether the climate was not at all favourable for producing the wherewithal to institute the millennium, but nevertheless the millennium had been promised and the Government were determined to move confidently and boldly towards it, hoping and perhaps believing that the loss of all the normally operative incentives would be more than made up by the enthusiasm with which the workers would support a Government of their own choice and class, or would toil for enterprises of which they and not the blood-sucking capitalists were now to be the owners.

It is difficult in the gloom which prevails today to recapture the atmosphere of two years ago – the hysterical joy over the prospective realization of a Utopia in which at last one could both have one's cake and eat it, the exulting over the discomfiture of the employers who, according to the preaching of many years, had been preventing the workers from having any cake at all. In this combination of cock-a-hoopness and insult, taken in conjunction with the underlying economic realities of our situation, there existed all the elements of the typical Greek tragedy. But meantime it seemed only to be necessary to reach for the moon – there need be no longer any question of crying for it.

The hubris of those who stood at the threshhold of the Marxist Jerusalem came out very clearly in some of the debates between Young Tories and even Younger Socialists arranged for our edification by the B.B.C. I remember that in one of them the Labour representative was a young man who I knew had been educated at a public school and one of the two ancient universities without the aid of scholarships, and had subsequently – and in particular for most of the war period – drawn a handsome salary from the richest and most enterprising, though reputedly the most reactionary, of the newspaper Lords. Imagine my surprise to hear him fulminating – in phrase and tone appropriate to the publications of Mr. Gollancz – of some of the most scabrous of

which he was in fact the anonymous author – about the iniquity of the existence of a privileged class, deriving its advantages solely from the accident of birth and of a capitalist Press! It set me off thinking about this question of privilege. I had myself enjoyed a good secondary and university education, by means of scholarships supplemented by my father's becoming a capitalist; I had what used to be called 'got on in the world'; I had lived an interesting and I hope a useful life; I had met and worked with all sorts and conditions from, as the phrase went, the highest to the lowest, and I had never once met from any of them patronage or sneers because I was the son of a carpenter. Was I a privileged person? Had my privileges been gained at the expense of the workers from whom I had originated?

The next step which presented itself to me was to look back over my varied life, to write down an honest and dispassionate account of it, so far as I could recapture it, and to see how it had come about that it was now a matter for disapprobation to have ability enough to rise in the world, and for positive condemnation to have accumulated even a little private property. The narrative is now complete in so far as my imperfect memory and poor ability can make it so. I hope it is dispassionate and I believe it to be honest. Have there been at work over the period covered by it forces which, it is now possible to discern clearly, could have produced no other end than the situation in which we are today?

Of course there are one or two obvious cautions to be observed in weaving long past events into a pattern. When the events are being enacted nothing is so clear cut as historians manage to make it appear in retrospect. The actions of mortals and even of politicians have often much more to be said for them than may appear to those who are only in a position to job back. It is usually wise and always just to attempt to recreate the atmosphere and circumstances in which decisions were made, and it is as well to remember that most people would have acted more wisely if they could have known all of the relevant factors at the time and more sagely still if they could have added to this enhanced contemporary knowledge a revelation of what was in the womb of the future.

Even before the first World War some of the dominant forces that have affected our national life were operating for all to see. Under the protection of the Companies Acts huge agglomerations or combines of manufacturing industry were growing up which were managed, not by the owners of the business – for these were often an amorphous mass of absentee shareholders and not necessarily big shareholders at that – but by a species of salaried official or bureaucrat. Parallel with this there were the tendencies of Trade Unions to become national rather than regional and to amalgamate until they catered for the whole of the workers in particular industries. There were also the beginnings of the mass production of standardized articles and the increasing subdivision of labour. The last process was carried much further in the United States than in Britain and, in the absence of a highly developed Trade Union system there, it was easy for the executives of big corporations to exploit the immigrant labour from Central Europe. But in England big business plus the big union was capable at one and the same time of making it possible for more people to enjoy more things and of largely preventing the exploitation of the economically weaker classes. The beginnings of social services and insurance against the mishaps of life strengthened both the general standard of living of the workers and their power to resist exploitation. The natural tendency of the big firm and the big union to combine to the detriment of the consumer was defeated by our Free Trade fiscal economy. Advances in the public education of the country were making it more and more possible for the children of poor parents to rise to any position or class which their natural abilities would support. There was not yet adult suffrage but the inevitable periodical extensions of the franchise were narrowing the degree to which political privilege could persist. Graduated income taxation and inheritance taxes had appeared which together with expenditure by the State on social services made at any rate a beginning with the removal of the grosser inequalities of wealth. We had still not quite reached equality of political status but we were very near it and we were fast approaching equality of opportunity. We were far from having attained economic equality and there were in fact few people who thought that we ought even to aim at it. The

Liberal Party was in power and it held to a decent compromise between *laisse-faire* and the protection of the working classes against ill-treatment and misfortune. By promoting education the Government made it easier for the children of the workers to climb out of their class, and death duties made it easier for the sons of rich men to fall out of theirs. No obstacle was placed in the way of a workman setting up in business as an independent employer, but there was certainly no active assistance to him to do so. The Liberals were still above everything the party of personal liberty and of equality before the law. There was a Labour Party but its representation in Parliament was small. It generally supported the Liberals. It differed from them in wanting a greater measure of redistribution of incomes through the agency of taxes and social expenditure, and also in being collectivist in a gradual and eschatological way. But its socialism was not egalitarian or based on the Marxian class war; it was much rather idealistic and, with many, definitely Christian.

In the years just before the war of 1914 to 1918 our country was prosperous and the standard of living of the generality of the people was steadily increasing. By our foreign lending and Free Trade system we were contributing materially to the expanding universe of which the economists dream. By making ourselves the guardians of the mystery of the International Gold Standard and the owners of the biggest merchant navy in the world, we were effectively promoting the commerce of the world and making good profits for ourselves in the process. And finally we were about the only instance in history of a great Empire which on the whole used its power benevolently. We had instituted self-government for much of it, we envisaged gradual political advance in the remainder, and by keeping an overwhelming Royal Navy we had for a century preserved a considerable measure of world peace. Another feature which was clearly discernible in the years before 1914 was the growing secularization of life and the development of scepticism if not of positive disbelief in religious matters. The Darwinian doctrines had worked themselves out to this conclusion, though there was still a large body of devout people in the country to whom religion meant a great deal both in consolation and in obligation—

of personal conduct and of charity towards neighbours. Outwardly the nonconformists still flourished but their political importance diminished with the disappearance of the last religious tests and they suffered more than the Established Church from the general advance of pococurantism.

During the first World War and just after it there was a considerable acceleration of already existing trends. There were rapid advances in scientific discovery and the application of its results to large-scale industry. The taxation of large incomes and of accumulated wealth was increased enormously. From the comradeships of the war there followed a greater sense of social equality and a considerable measure of emancipation of woman. Full adult suffrage was conceded to men while women got the vote at the age of 30. In the realm of society and morals the taboos and conventions which had previously irked the more 'advanced' women vanished from sight and mind.

Economically there was a disposition to preserve the open system which had served us so well. There were, it was true, the problems arising from the dislocation of the war and the adjustments to the new world which had been created by the Treaty of Versailles, and there were the distortions likely to be introduced by the payment of Reparations and War Debts. But most people were confident that none of these things would create serious trouble and that the war-time regulations and controls could be safely and immediately discarded. However, after the almost inevitable but short inflation and boom, a persisting problem of unemployment made its appearance in Britain and it attracted the more attention because Unemployment Insurance had been extended to cover practically everything but agriculture and domestic service, and comprehensive figures of unemployed were, as one of the consequences, compiled and published every week. Moreover the decline of activity was concentrated in a few industries and in well-defined localities. The industries were mainly those into which men had flocked during the war and the areas were largely those which depended predominantly on a highly-specialized industry.

Looking back it appears as if the unemployment of the 1920s was largely a problem of maladjustment which would have quickly been

repaired if the system which operated twenty years earlier could have been left to work itself out. But both labour and capital had become less mobile, the latter on account of the large units and complicated factories and machines, and the former partly because of housing difficulties and even partly because unemployment pay at any rate removed the worst hardships of being out of work. The bigger Trade Unions too had more bargaining power. Wages had risen to very high figures during the war, partly to meet the enhanced cost of living and partly because of the squeezability of a State which was so largely the ultimate employer and which was in the most urgent need of munitions of war. Now, when the cost of living was falling rapidly, the unions wanted to keep up nominal wages which meant increasing real wages, even though this too might be a drag on the process of adjustment and movement which was a necessity if high levels of activity were to be achieved.

The Marxian revolution which occurred in Russia in 1917 had some effect in Britain. Somehow or other Marxism first made its appearance in the British Labour movement and by its adherents (and some others) the institution of the Soviets was hailed as the dawn of a new day. But this Marxist wing of Labour did not evoke serious public attention until the General Election of 1922 brought a contingent of them, mostly from Scotland, into the House of Commons for the first time. But they were only a wing and not the body, and for the most part the party still consisted of Trade Unionists, Christian idealists, Co-operators – though they were being rapidly reinforced by those social reformers who saw no future for themselves in the hopelessly divided Liberal Party. All the same the Marxists were a new feature and they occupied far more of the public eye than their numbers warranted.

As the 'twenties went on there grew up in the scientific world a body of materialistic determinist views which was in time to become a powerful reinforcement to the Marxists. Curiously enough, however, there began to appear among the best of the physicists a willingness to proclaim publicly that there might after all be a world of the spirit outside the scope of the laboratory. The prevalence of unemployment, especially as it was so concentrated, led to demands from employers and Trade Unions alike for state intervention – whether by subsidies,

tariffs, guarantees of new capital or otherwise. The quasi-automatic system of earlier days was still the professed goal but much was being done and more was being asked to prevent its operating, and in particular there was constant pressure to raise unemployment pay above the bare subsistence level and insistence on the various fallacious devices for spreading work.

With the incurable divisions of the Liberals the Labour Party had become the official Opposition and the alternative Government to the Tories. Twice in a decade it was called on to form an administration, though in neither case had it a clear majority. It did, moreover, whether intentionally or not, accomplish what now looks like the final interment of the Liberal Party and it did, even before the world crisis of 1931, disclose a tendency for its leftists to increase relatively to the rest, and as it were to wag the dog so that the party as a whole made much more of a show of being collectivist. Marxian phrases and talk of the class war were much more frequently heard. Inside some of the Trade Unions a shop-stewards movement grew up which was openly Marxist and which challenged the leadership of the more steady-going officials. Nevertheless I would have said that the Labour Party in 1931 was still in essence non-Marxist. At the same time in the party, as in the country generally, there was a greater and greater concentration on the pursuit of material ends and by the early 'thirties the idealists and the Christian elements were being swamped. If as yet there were comparatively few Marxists there was a greater depth of the soil in which the ideas of the class war and the dictatorship of the proletariat could grow.

All this time more money was being spent on social services and, broadly speaking, direct taxation was being kept at its highest war-time level and so a considerable process of redistribution of wealth was going on. By 1929 full adult suffrage had been achieved and so all men and women were equal in this respect. Secondary and university education was developing rapidly and it looked as if it would not be long before we actually arrived at equality of opportunity. On the other hand the predominance of the big industrial combine and the big Trade Union structures were making it more difficult for the adventurous young

man with a little capital or the ambitious workman with a lot of knowledge and skill to strike out in business for himself. The former was increasingly forced into the professions and the latter, if he wanted to get on, was practically confined to taking an active part in the management of his Trade Union or his local political party. And it was also the case that the increasing output of educated children of the working classes was canalized not into productive spheres – but into the professions, the bureaucracy, school-teaching or journalism.

The year 1931 seems to me to have been the end of an epoch. The Gold Standard and Free Trade were both discarded, From then onward economic nationalism and exclusiveness has ruled the whole world. Political and economic objectives shifted, it seems finally, from the satisfaction of the needs of the consumer to assuring the producer that he can go on turning over his machines, human and otherwise, for a certain number of hours each day irrespective of whether or no they are making what anybody wants. There being no longer even one large open market, the nations of the world tried to isolate or at any rate insulate themselves more and more, to produce for themselves everything they needed even though they could in normal circumstances buy it cheaper abroad. Clearly there was going to be all over the world less and less freedom of choice for the individual as to what he should consume and in what occupation he should seek to earn his living. At the same time all the other forces making for lack of a spirit of enterprise and adventurousness and calling for the intervention of the State in economic matters strengthened. Moreover the generally materialist outlook in our own country led to a growing unwillingness to assume the obligations of being the centre of a Commonwealth and a great world power. So we got the demand for 'peace in our time' which made us balk at the attempts to stop Mussolini and Hitler before they had got under way and afterwards refuse to rearm until it was too late to prevent a smash. The growth of materialism plus the craven fear of being great went on, but in the end we did not avoid the war which we had swallowed every humiliation in order to postpone. Incidentally when we were finally forced to prepare for war, every step we took increased the area of the intervention of the Government

in industry and in controlling men's private lives. The culmination of this process was perhaps the introduction of conscription for military service in 1939. Even when war came, we seemed for a year to think that we could wage it on a limited liability basis, but from 1940, under the impulsion of misfortune and inspired leadership, we became once more a great nation and we finally fought our way to survival.

Economically the war was certain to accelerate nearly all the tendencies which were already in progress. The managerial, almost the syndicalist, structure of industry became infinitely more pronounced. Compulsion, rationing and controls covered the whole of our national life. Taxation had reached such heights that no man could retain enough out of current earnings to accumulate a fortune. Those who already had large fortunes or estates had to spend their capital to live at even a fraction of their old scale, and when they died the State took up to three-quarters of what was left. Earnings increased sharply, the price of necessities was kept down by subsidies; luxuries and comforts were procurable either not at all or at very absurd prices. Compulsion into industry or the Armed Forces certainly did not discriminate in favour of the well-to-do and in the Army at any rate commissions could only be obtained after service in the ranks.

Before the end of the war equality had made great strides. Such privilege as still existed had gone and from now on it would be impossible for men to become rich, however enterprising and venturesome they were, and if they were already rich they could rely on only a small part of their wealth reaching their heirs.

I have already described our enfeebled economic situation in 1945 and compared the promises made at the election with the resources available to fulfil them. But another fact appeared after the war which seems to me now of the utmost significance. Materialist determinism captured the Labour Party; their adherents began really to believe in and preach the class war. It is very difficult to see, even now, when this devastating change occurred. I don't think it can have been before the war though if it had been, it may be that my absence in India would have prevented my noticing it. I feel confident that the well-plugged Russian military successes after a beginning even more dismal than ours

began to accustom men's minds to associating success with Marxism. I expect too the egalitarianism of the American soldiers in this country had had some influence with us – though with them it was entirely a social and not an economic phenomenon. There can be little doubt that the herding of men and women into large factories gave the shop-stewards movement opportunities of which full advantage was taken and I suspect that the local machinery of the Trade Unions and the Ministry of Labour did a good deal of political propaganda through the country, which wasn't always in keeping with the views of Ministers and leaders. Anyhow Karl Marx had by 1945 captured the Labour Party and that being so the movement towards equality in our country took on an envious, greedy and malicious form and lost all traces of kindliness and Christianity.

One of the best guides in the mazes of political science seems to me to be the French writer de Tocqueville. He was a firm believer in democracy though he foresaw, a century in advance, most of the dangers and errors that would beset it on its way. He speaks a great deal of equality, how there is an irresistible urge to it among democracies and indeed how an ineradicable desire for it has been implanted in men's minds. But the equality which he writes of is not in the least economic equality, at any rate not that advocated by Mr. Shaw in *The Intelligent Woman's Guide to Socialism*, which can be briefly summed up as the belief that everybody in the community should be equally remunerated except writers, for whom the best of everything should be reserved including the sole right to charge what they liked for their work. What de Tocqueville meant by equality and what, with some doubts and reservations, I believe in, was a state of society in which there should be no social classes or castes, in which every adult should have a vote and should be free to take part in the government of his municipality or the country as a whole, in which there should be no privilege, in which education up to a certain level should be open to all, in which there should be few very rich and practically no very poor – in fact the condition of society which he discovered in the United States of the 1830s (leaving the negroes out of account, both slave and free) and which seems to me very much what we were heading for in

1910 and what, after two World Wars, we had reached, though to the accompaniment of very adverse economic conditions, in 1945.

But even this form of egalitarianism he saw to be fraught with the gravest dangers.

> I believe that it is easier to establish an absolute and despotic government among a people in which the conditions of society are equal, than among any other; and I think that if such a government were once established among such a people, it would not only oppress men, but would eventually strip each of them of several of the highest qualities of humanity.

In our country this urge to equality has now, in one of the great parties of the State, become overlaid with something which, while professing to foster it, is utterly alien to and destructive of it – Marxism. In theory this was designed, by taking advantage of what its apostle took to be the inevitable self-destructiveness of capitalism, to set up, after a brief period of the dictatorship of the proletariat, the classless society. Lenin seems to have had some doubt whether in fact capitalism was going to destroy itself – in fact it was improving the condition of the working classes – and so he grafted on to Marxism the idea of creating revolutionary cells to hasten and ensure the end of capitalism by violence. In Russia in 1917, owing to a combination of military defeat and administrative breakdown, Lenin was able to carry his ideas into effect. The dictatorship of the proletariat – or rather of a few of the middle class masquerading as proletarians – was initiated, but the classless society has not yet followed. Indeed at present Russia is the most hierarchical country in the world except possibly the new Dominion of India; it possesses more decorations, uniforms, epaulettes and other marks of privilege and it has a wider diversity of economic reward than any capitalist country has ever known. In Britain the approach to Marxism is still professedly evolutionary, indeed it is probably to a material extent unconscious. But there is no doubt that it proceeds, as did the Leninist uprising, on a basis of envy and hatred much more than on the desire to produce the sort of classless and uncoerced society that the anarchists have hopefully envisaged from time to time. The desire

to elevate is there but it is the kind of desire which arises easily in minds suffering from inferiority complex and which, given a chance, will manifest itself in pulling down everybody better off than themselves and in elevating themselves into office-holders in the various grades of the official mechanism of government.

De Tocqueville, as I say, foretold all the dangers of equality. Briefly these arose from a love of tranquillity – 'peace in our time' if you like – which disposes men not to resist the tendency to centralization which is a feature of democratic governments; from the psychological fact that as privilege decreases hatred of privilege is intensified, which may easily lead, as it has in our country, to demands for further intervention of the centralized government to coerce somebody or other, and this the centralized government are willing enough to do because of the desire, almost the passion, of any bureaucracy to bring about uniformity; above all the fact that 'extreme centralization of government ultimately enervates society and thus after a length of time weakens the government itself'. In short the people are 'led insensibly to surrender to it some further portion of their individual independence, till the very men, who from time to time upset a throne and trample on a race of kings, bend more and more obsequiously to the slightest dictate of a clerk'.

It seems to me undeniable that in our progress towards equality, liberty and even the desire for it have weakened; that the increased centralization of government, or State interference, which has occurred in the last thirty-five years has not solved our economic problems and in particular that the attenuation of all or most of the incentives arising from private gain has not been followed by the emergence of a dominating incentive of service to the State; that our more egalitarian society is throwing up fewer and fewer of those spirits, rare in any case, who are clearly marked out as leaders in politics, industry and religion or as creative geniuses in art or literature; that in the age in which religion and individualism have been replaced by materialistic determinism and the all-powerful State, the people are not more but less happy; that in the search for security both at home and abroad we have achieved a more fearful uncertainty and sense of impending doom than any person

now living has ever experienced; that with the growth of egalitarianism and its extension to the international sphere the influence of Great Britain in the world has progressively weakened and that, in the process, the world has become more wretched, less free and far worse off materially.

But what are we to do about it? Can we put the clock back? Like de Tocqueville I look back with many regrets. The age of capitalism, at any rate in the years from 1860 to 1910, was one of greater advance in the material condition of the workers than any other known to history, whereas now, if we are to trust the evidence of the existing state of affairs, we are, in spite of all our scientific and technical skill, faced with the possibility of starvation over large parts of the world. The half-century I have mentioned was the period in which the influence of Britain reached its zenith and for my part I agree with the words of the American philosopher Santayana:

> Never since the heroic days of Greece has the world had such a sweet, just, boyish master. It will be a black day for the human race when scientific blackguards, conspirators, churls and fanatics manage to supplant him.

I have already said that I told Pandit Nehru in 1938 that I believed that the only possible nucleus for the dissemination of the Federal idea in the world was the British Commonwealth and, if anybody is inclined to doubt this or to deny the beneficent character of British rule, let him observe what is happening in India today as we scuttle out of it.

But, however much I may regret this not very distant past, I do not feel that we can recapture it. We must all, like the Labour Party, face the future. That future is being worked out today and it is very difficult at the moment to prognosticate that it will be other than a hard one. At the worst we may be on the way to becoming an unimportant Marxist satellite of Russia. At the best we can save ourselves and others and make something new and glorious out of the remainder of the Commonwealth – though not without many and grievous sacrifices, not without abandoning a good deal of our too conscious pursuit of happiness in a material guise, and above all not without shedding the

corroding doctrines of Marx, and the hatreds and divisions they are designed to engender. And somehow or other we must find a way of ensuring that the best of our race come to the top, whether in politics, industry or in the arts. It doesn't of course profit a man, or a country for that matter, to gain the whole world and lose his own soul. But it would be even less profitable if, having thrown away a good part of the world, we lose our own soul all the same.

APPENDIX

APPENDIX

1. FIELD-MARSHAL LORD ALANBROOKE[1]

Not many people would recognize Lord Alanbrooke (or, as I prefer to continue to call him, Field-Marshal Brooke) if they saw him in the street: and yet I make bold to say that many of those who were on the inside of affairs during the six years of war would assess his contribution to the victory over the Axis as second only to that of Mr. Churchill among the citizens of the British Commonwealth.

In September 1939 Brooke found himself in command of one of the two corps which made up the original B.E.F. By almost universal testimony it was due largely to his skill and resolution that not only his own corps but the whole (and much enlarged) B.E.F. escaped destruction in the retreat to Dunkirk. After the evacuation he was sent back to try to prolong resistance south of the Somme, but it was a hopeless assignment, and it ended in another Dunkirk from Cherbourg and Brest.

Within a month of his second return home he displaced Ironside as C.-in-C., Home Forces, with the task of resisting the invasion which looked to be inevitable and which did not cease to be possible until after America's entry into the war. Brooke's responsibility then, and for the next eighteen months, was to make a new army in the place of the one which had left most of its equipment and some of its morale behind at Dunkirk. A small part of this new army had to be trained for offensive action overseas – in the desert or possibly later on for raids across the Channel – but otherwise its role was limited to securing the safety of these islands.

Towards the end of 1941 Brooke became C.I.G.S. in the place of Dill. Within three weeks of his appointment came Pearl Harbour and the entry of the United States into the war. The Japanese secured all the initial advantages of surprise and for the next six months things went badly for us and the Americans. And, as the Russians were in serious

[1] Article reprinted by courtesy of the *Sunday Times*, January 27th, 1946.

trouble too, it looked as if Brooke had been plunged into seas even more stormy than those which surrounded him at Home Forces in July 1940. On the other hand, if we could survive the early disasters, the Japanese action had ensured the ultimate defeat of Germany as well as their own. The unlimited American resources in material and manpower made it quite certain that the offensive against both Germany and Japan was only a matter of time and that this would in the end be fatal to the Axis. The strategy of the war for us was henceforth to be offensive, and the preoccupation with the safety of the United Kingdom passed into history.

In March 1942 Brooke was made Chairman of the Chiefs of Staffs Committee, which meant that he was to be Mr. Churchill's principal strategic adviser. The appointment was out of the normal course of succession, perhaps because in the new strategy the Army would have to play the principal part. One of his main functions from then on was to accompany the Prime Minister to his various conferences with President Roosevelt or Marshal Stalin and to conduct the ancillary discussions with their Chiefs of Staff. Brooke's first conference was the one at Washington in June 1942, and from it there emerged the project of two converging attacks in North Africa, with the corollary that the 'Second Front' in France for which the Russians were clamouring would have to be postponed until it could become something better than a forlorn hope for the sole purpose of trying to distract some German attention from the Russian front.

This North African conception was a bold one seeing that, even while the discussions were going on, we were being driven back by Rommel to Alamein and the Germans had renewed their advance in Russia. Mr. Churchill and Brooke were to go on to Moscow to explain the Washington conclusions to Marshal Stalin, and on the way they were to visit Cairo to take stock of the position there. Everybody knows how this resulted in the introduction of the Alexander-Montgomery partnership. Everybody knows, too, how this seemed to be the turning of the tide. After Alamein there were for the Allies no more than minor set-backs in a progress which in less than three years overwhelmed the Axis. The British share in this success was no unworthy one, and

Brooke was Mr. Churchill's right-hand man throughout. His personal contribution must accordingly have been vital. In what exactly did it consist?

First, he was more qualified than any other soldier or possibly than any sailor or airman to look at the war as a whole. His very catholic military education and experience had induced in him a faculty for judging between competing enterprises and deciding where the main effort ought to be applied. His clear mind was supported by a ready and persuasive tongue. Though he could be irascible at need, he could also exercise infinite patience where great issues were at stake. Altogether he came to have great influence with the Prime Minister, and, indeed, I know of no major matter in which Mr. Churchill decided to take a line which was opposed to Brooke's advice. I do not at all imply that Mr. Churchill was clay in the hands of the Brooke potter. To anybody who knows him that would be silly as well as offensive. What I do mean is that on essential points these two argued themselves into agreement before final action was taken.

Next, Brooke had a great position with the Americans. The United States came into this war relatively earlier than into the last and it was clear that their peak effort would be beyond anything possible to the British. It was natural, therefore, that they should demand the predominant voice in Allied strategy, and in regulating the allocation to particular projects of the resources so largely produced by them. Nevertheless the broad decisions of policy fully accorded with what Brooke judged the circumstances to require. There were at times keen and even fierce discussions, but no lasting and weakening disagreements.

Then, again, we must recognize the importance of his relations with the British commanders in the field. There was not one of these who did not keep up with him a constant and frank interchange of private letters and telegrams. And I am sure that this correspondence had a great effect in sustaining the confidence of commanders in themselves and their forces as well as in the High Command at home. It is no small thing, and it is certainly unusual, that the professional head of the Army should be a man who is admitted — nay proclaimed — by every

other soldier of magnitude to be beyond doubt the most accomplished soldier in the Army.

Beyond all this, there was Brooke's work in what I may call the War Office as opposed to the Ministry of Defence region. This covered the organization and equipment of the Army and the choice of individuals for the senior military appointments. In it I was associated with him for more than three years. An association so intimate and so long could not fail to give me a close insight into his character, abilities and achievements, and I *know* that his work was beyond praise and reward. I hardly remember a single harsh word between us, and I do not recall any important matter on which we were unable to accommodate our views. Not that we were either of us of a yielding or meek disposition, but because, I hope and believe, there developed between us confidence and comradeship and in the end an affection which I shall assuredly cherish for the rest of my life.

I have a thousand memories of these three years, many of them lighting up qualities and gifts in Brooke which are not reflected in the surface of stern efficiency which he presents to the outside world. In private life he has wide interests – including a somewhat unexpected passion for bird watching – and great conversational gifts. He has, too, a delicious faculty of mimicry, which I have often seen exercised to caricature the highest and mightiest – though nearly always good-naturedly. And he has a very warm heart for his friends or for colleagues whom misfortune has overtaken.

But it is not the War Office side of his work which counted most. His great contribution lay in what he did as the head of that central organism by and through which the Minister of Defence and the Cabinet conducted the war as a whole. His own wish would have been for direct command of some important operational theatre, and if he could have had it his name would doubtless now have been a household word. As it is, he has attracted no limelight, but that does not alter the fact that history may very well in the long run assign to him a place among the Englishmen who have helped to win this war second only to Mr. Churchill's.

2. FIELD-MARSHAL LORD MONTGOMERY[1]

Any attempt to write about Field-Marshal Montgomery in less than a full-length biography is bound to be highly selective. I propose therefore to take his military genius for granted. There can be no denying that he is the most successful British general since Wellington, if not since Marlborough, and, as Mr. Churchill wrote in Montgomery's private diary in commemoration of the German surrender on May 8th, 1945:

> *The fame of the Army Group, like that of the Eighth Army, will long shine in history and other generations besides our own will honour their deeds and above all the character, profound strategy and untiring zeal of their commander, who marched from Egypt through Tripoli, Tunis, Sicily and southern Italy, and through France, Belgium, Holland and Germany to the Baltic and the Elbe without losing a battle or even a serious action.*

There have been from time to time whisperings that he was too cautious and too slow, that he had never been tried under adverse circumstances or against odds, that his ceiling was the tactical command of an army, and so on. It would be easy to demolish all these criticisms by solid argument, but in the light of his record one is entitled to assert that they were but vanity and a striving after wind. Even taking his military genius for granted, there is still a lot from which to select, but I have space to choose only his mechanism of command, his technique of command, and some of the vulgar errors which are current about him.

The essential features of what I have called his mechanism of command are the permanent location of the C.-in-C. in a small, highly-mobile Tactical Headquarters well forward in the battle zone, and the reliance on a Chief of Staff for all the business of a vast headquarters other than the direct conduct and control of operations. I do not know whether the former is new to British military theory in kind; it certainly is in the degree to which Montgomery applied it. The

[1] *Sunday Times*, February 3rd, 1946.

second is definitely contrary to the normal British practice. Both innovations have as their end the close but not tiresomely interfering control of operations by the C.-in-C. and his complete abstraction from administrative detail and paper work.

An integral element in the Montgomery system was the team of liaison officers. These were specially picked and trained to serve as the eyes and ears of the C.-in-C. Their task was to tour the battle area, to visit subordinate headquarters down to divisions or lower, and to bring back to Tactical Headquarters each night an accurate and vivid picture of what was going on. In the light of their reports the C.-in-C. made any adjustments in his dispositions he considered necessary, and I have no doubt that his resourcefulness and adaptability owed much to his devoted band of liaison officers. Incidentally, Montgomery never made a habit of issuing long detailed operation orders. At the beginning of a definite phase in a campaign he would issue a short directive to his army commanders; thereafter all orders were verbal and direct from C.-in-C. to army commanders.

Montgomery's technique rested, of course, on the supreme importance of morale in war. One of his principal methods of establishing an unshakable spirit in his troops was to build up the legend that his army or army group was unbeatable. In the middle of 1943 I heard him addressing the entire body of officers of two formations who were joining the Eighth Army for the first time for the invasion of Sicily. In that army, he insisted, there must be no failures. The commander would not ask of them more than they could do. But the army must not fail to carry out what the commander asked of them. And his demands would be high. Nevertheless, together they would succeed.

As we came out of the ramshackle building in which the address had been given little groups of soldiers were waiting to see the C.-in-C. They crowded round him almost as if they could derive courage and strength by touching the hem of his garment. And it wasn't that there was anything hysterical in this eagerness to be near him. I remember writing at the time how much I was struck by the sober and confident bearing of the men in North Africa and how they gave me the ineffaceable impression of all being seven feet high.

Of course by June 1943 the legend of invincibility had already the unbroken success of the desert campaign behind it; but those who were in the Eighth Army when Montgomery took it over in August 1942 testify that the feeling that they were unbeatable was already firmly in them by the time of the defensive battle of Alamein, which was some weeks before the crucial offensive battle at the end of October. And for the first battle of Alamein he had no resources in men and equipment which had not been available to his predecessor. Yet the spirit of the Army had been entirely changed in a few weeks.

The moral I draw from this is that although Montgomery made it his business to maintain among his troops the conviction that they could not fail, there was in him some inherent quality – genius, if you like – which generated this belief long before an uninterrupted series of victories had provided a solid basis for it.

Genius is not an infinite capacity for taking pains, but it doesn't get very far unless it is allied to perseverance. Montgomery in fact worked extremely hard to preserve direct contact with the troops and to make himself a vital dominant influence in their lives. And a good deal of the publicity which he invoked and some of the oddities which he affected – at which the Pharisees are so inclined to lift their skirts – were addressed to this end. Indeed, my view is that everything he said or did publicly was weighed in advance for its effect on the troops under his command. He believed that if a C.-in-C. was a familiar figure to his men the more effect would his orders and messages have and the more readily would they react to his call for special efforts. If in addition he was well known to the public at large the soldiers would arrogate to themselves some part of the glamour which attached to their commander and be free from any temptation to fall into the grievous sin of thinking themselves into the inferiority complex of a 'Forgotten Army'.

Montgomery's direct impact upon his armies naturally starts with the close but unfussy and unmeddlesome relations with his higher commanders. Then, before every campaign, or new phase of a campaign, he makes a point of assembling all the lower commanders down to lieutenant-colonel, and personally explaining his plans to them, with the injunction to pass on everything relevant and helpful to the officers

and men under their charge. Finally, as a prelude to the most significant events, he makes a tour of his whole command and addresses large gatherings of the men.

This cannot be done very often, but on all important occasions – the eve of a battle, the morrow of a victory, Christmas, or the anniversary of a decisive defeat of the enemy – there is a personal message to be read out to the troops on parade. And in between times he is constantly visiting units, bringing them newspapers, cigarettes, passing a cheery word, or sometimes – as I have myself witnessed – explaining on the map directly to the soldiers how the battle is working out. By his presence with the troops, whether in the flesh or through his characteristic messages, he designs – and successfully – to pass on his own confidence throughout his armies. The confidence begets success and success grows by feeding on itself. And so faith and works reinforce each other, and the invincibility changes from legend to an immutable law.

One further element in his technique of command must be mentioned. He once told me that he spent as much as a third of his time in choosing subordinates, going down as far as battalion commanders. He certainly attaches enormous importance to the choice of persons, and in my experience he chooses well, though he is prone to confine his field of selection too closely to those whom he has himself commanded and observed in action – which produces a lot of grumbling, and perhaps a little injustice.

To end with, I come to what I have designated some vulgar errors. In these days envy and malice are always snapping at the heels of eminence, and Montgomery, being more eminent than most, suffers an unusual degree of detraction. I sometimes wonder whether there is not in him something impish which makes him deliberately provoke the critics, but I expect they do not need much provocation.

The most frequent charge is, of course, that he is a self-advertiser. I have already dealt with this. He certainly has a very decided flair for publicity which could easily be employed for the glorification of Montgomery. But in my belief it was, throughout his campaigns, brought into play solely for the purpose of creating a desired effect on

his troops — in other words, as part of his technique of command. I dare say that the black beret and the canaries in his map caravan were all part of the game too. If this is self-advertising then he is a self-advertiser, but it is not what I understand by self-advertisement, and to call it such seems a poor requital for the victories which its exponent has won for us.

Secondly, he has no ambitions for a political career. He has repeatedly disclaimed any such object, and I do not see why he should not be believed. Thirdly, he is not a pious fraud. The religious phrases which are so often heard on his lips are sincere and a part of the real man. At any rate nobody, except possibly General Paget, his predecessor in command of 21st Army Group, could have insisted more strongly on the importance of a band of active and devoted chaplains to the well-being of armies. And, fourthly, he is not the inhuman creature that some of the earlier stories would represent him to be. Of course he has done ruthless things on occasion; what great commander hasn't? But nobody who hadn't an abundance of humanity could have acquired the devotion of hundreds of thousands of men as Montgomery has, and I can say that in close personal experience during the years 1942 to 1945 I saw nothing of the supposed inhuman Montgomery of the 1940 tradition.

I am very conscious of the shortcomings of so hasty a sketch. The Field-Marshal is not a simple organism, and he requires and deserves a good deal more than summary treatment. Few men have done more for our country and, in his case, the judgment of the applauding many is assuredly juster than that of the captious few.

3. FIELD-MARSHAL LORD ALEXANDER[1]

I first met Field-Marshal Alexander in 1934, when we were both on our way to India. I saw a lot of him on the voyage, and I remember prophesying for him a glorious future.

I kept touch with him for the three years that he was in India, and resumed it when I returned to England in 1939. Since then our paths have crossed frequently. We met on the steps of the War Office as he was coming to report after landing from the last circuit of the beaches at Dunkirk. I saw him on his return from Burma, and again when he left to take over the Middle East. I spent a long day with him in North Africa after his Tunisian triumphs. I stayed at his Siena headquarters, and from there visited the Eighth Army just as the battle of the Gothic Line was beginning; and I have usually managed to have a talk with him on his visits to this country.

I have thus known him longer than I have known any other soldier, and I ought perhaps to know him better than I know any other soldier. In fact, I sometimes wonder whether I really know him at all. I know all the externals – his athletic prowess, his fighting career, his military achievements. I know his good looks, his courtesy and charm. I know, too, his devotion to duty and his scrupulous loyalty to colleagues or subordinates. But there is something inscrutable about him which gives me the feeling that there is another life beyond all this, a life of his own into which very few are allowed to enter. This is reserved for his family, of whom in his agitated and mutable career he has seen all too little, and for his dreams of being able some day to read and write and paint to his heart's desire.

Is it not then ironical that when, after one of the most active, absorbing and dangerous of external lives a man could possibly have the prospect of ease and freedom to live his own private life opens out he should be called upon to serve another five years in public duty abroad? It only goes to show how much duty has always been placed in front of the most cherished personal longings.

[1] *Sunday Times*, March 24th, 1946.

Already the external life alone has content enough to fill out three or four quite interesting and adventurous careers. And he is still under fifty-five. At Harrow he was a noted cricketer and long-distance runner. In the Four Years War he fought practically throughout, receiving wounds, decorations, and phenomenal promotion. At the end of that war he was sent off to north Russia and then to the Dardanelles. Later, in India, he commanded the Nowshera Brigade in two of those minor but wearing campaigns against the tribes of the North-West Frontier. Back to command the First Division, at Aldershot, in Belgium and France, ending up with the eerie experience of being the last man away from Dunkirk, after a ghostly tour of the silent beaches.

In England again he had in turn a corps and Southern Command, with, in the latter, general supervision of the comparatively few divisions which, until the entry of the United States into the war, were all we expected to be able to spare to use abroad. He was next summoned to stem the strongly flowing Japanese tide in Burma in early 1942, and almost before he had arrived back in the United Kingdom he was off again to cope with another unpleasant emergency in the Middle East. Finally, came the victorious succession of Tunis, Sicily, Italy and Austria, ending with the unconditional surrender of more than a million Germans – and, as if that were not enough, fate threw in two very unpleasant politico-military situations in the E.A.M. rebellion in Greece and Tito's attempt to jump the peace treaties in Istria.

If I had to pick out his most impressive achievement I would choose the persistence to the final triumph in Italy after the Americans had made it clear more than once that they disliked the idea of any major commitment there. Immediately on the Italo-German surrender at Tunis they pressed that the forces preparing in the United Kingdom for the assault across the Channel should be strengthened, and as a consequence seven divisions, four American and three British, were withdrawn from the Mediterranean theatre. It was no wonder, therefore, that the operations up to Rome went slowly, particularly in view of the bad weather and demolitions.

The hold-up at Cassino, the failure of Anzio quickly to liquefy what

seemed a stalemate, must have been extremely galling to Alexander, but it did not prevent his persevering or keeping his nationally very mixed armies in good heart. In due course he was rewarded by the brilliant success of the campaign for Rome and the rapid advance to the Pisa-Rimini line. But then came another disappointment. The Americans thought the Italian campaign could very well be stabilized there, and seven more divisions were withdrawn for a landing on the Mediterranean coast of France complementary to the landings in Normandy. Progress through the Hitler and Gothic Lines was grievously slowed up, and Alexander's forces had not debouched into the plains before the winter came.

What a depressing autumn and winter this must have been! Stuck either in the snow of the mountains or the mud of the plains, hearing constantly of the glamorous exploits of the Anglo-Canadian-American armies in France, Holland and Germany, of the once 'Forgotten Army' in Burma, of the Americans and Australians in the Far East, of the Russians in eastern Europe – no wonder that Alexander's men began to think of and describe themselves as another 'Forgotten Army'. However, they were never allowed to lose their spirit or their fighting value, and with the spring they started off again, met with decisive success, and received the first of the major German unconditional surrenders – all this notwithstanding that three more divisions had been given up to help 21st Army Group to cross the Rhine and others had been sent to Greece to prevent the void left by the retiring Germans being filled by an alternative selection of devils.

In December 1944 Alexander had succeeded Maitland Wilson as Supreme Commander in the Mediterranean. He handed over the day-to-day direction of this final phase of the operations to the American General Mark Clark, and, to his chagrin, got himself immersed in politics – Italian, Greek, Jugoslav and so on. While he was purely an operational commander he could at any rate get some remote semblance of his so much desired private life, for he always took care to make his headquarters away from human habitation and to live in a family with his immediate operational staff. But in Caserta, as the Supreme Allied representative in political as well as in military affairs,

there was no sort of privacy, and the world and the devil – if not the flesh – were constantly pressing in upon him. Nevertheless he had the consolation that his was the theatre which led the final procession of German catastrophe, that he commanded perhaps the most polyglot force of all time with complete harmony, and that his own British troops showed themselves as successful in preserving freedom – in Greece, in Istria and in Austria – as they had been in winning it.

But what was Alexander's essentially personal contribution to all this? I doubt if anybody will ever know. He believed in trusting his subordinates as much as Montgomery did; he gave them credit in full measure; it may be that he did not impress his own stamp on the plans and operations in the same decisive way as Montgomery and that he accordingly appeared to be reflecting the views of his staff rather than emitting his own ideas; he certainly had not Montgomery's flair for deliberate and planned publicity.

But it is the man at the top who is blamed or superseded when things go wrong, and it is he, therefore, who is entitled to the credit when things go right. And what a balance of right over wrong Alexander has! How often has he been sent for to cope with militarily impossible situations! How often has he warded off disaster! But more than this, how many of our most sparkling triumphs have been won under his command! It is idle to go on comparing him with Montgomery. We are fortunate to have had two such commanders during this most testing of all wars.

4. GENERAL SIR BERNARD PAGET[1]

Paget is a soldier who has rendered matchless service to the State, but who is nevertheless not well known to the public at large. The object of this article is to set forth what his outstanding contribution has been.

For this purpose I am concerned with his work as C.-in-C., Home Forces, from the end of 1941 to the beginning of 1944. I shall therefore leave out of account his earlier life, his wounds and decorations in the last war, his inter-war career, his command of the expedition to Norway in April 1940, his influence as Chief of Staff, Home Forces, in the first months after Dunkirk, and his period in South-Eastern Command when it was the most likely of all the possible regions for German invasion. Nor shall I do more than refer to his later work in the Middle East. Much could be said on these and all of it to Paget's credit, but it would take many times the space allotted to me.

The army which Paget inherited from Brooke in December 1941 was an army whose role was still predominantly that of resisting invasion, though a few of its divisions were being prepared for possible aggressive action overseas. It was also an army which had not completely recovered from the disruptive influences of Dunkirk. But the entry of the Americans into the war opened up the prospect of a return to the Continent much sooner than had previously been thought possible.

It was Paget's work to take this army and to fashion it into a supreme instrument of attack. When it was ready fate decreed that he should hand it over to Montgomery, under whom it played a decisive part in the destruction of Germany. It is on his creation of what was probably the finest British Army of all time that I base the assertion that Paget rendered matchless service to the State.

The change from the defensive to the offensive meant radical changes in the training of the troops. In some quarters the idea prevailed that, with the development of tanks, aircraft and artillery there would be less and less for the infantry to do in modern warfare.

[1] *Sunday Times*, April 14th, 1946.

Nobody knew better than Paget that this was a delusion and that in attack the infantry would still occupy the central and most dangerous role.

The other arms were organized, equipped and trained with the primary object of supporting the infantry and exploiting their initial success The infantry were provided with a wider range of weapons and acquired a higher degree of skill, and, altogether, their training became tougher, more realistic and more intensive. Battle schools to inculcate a common doctrine were set up all over the country and units were made to adopt the assault course as an integral part of their daily preparation The use of live ammunition in unit exercises was introduced in order to accustom the men to the noise, smoke, smell and some of the danger of actual war

After the training of individuals and single units comes the training of higher formations, and for this large tracts, exclusively at the service of the military authorities, were essential This meant clearing the areas of all their civil population Only so could tanks, guns and lorries be moved without constraint and without having to take anxious thought about damaging houses, hedges and growing crops Only so, moreover, could live ammunition be used freely – artillery and mortar as well as small-arms ammunition Paget therefore asked the War Office to put in hand the requisition of a number of such areas throughout the country

There might easily be a great public outcry, but it was decided that the requirement must be met Luckily in those days the civil population were prepared to make almost any sacrifice They were willing to be displaced from their homes of a lifetime if they thought they were thereby serving the national cause The 'battle areas' were constantly the scene of very large-scale exercises which served not only to accustom commanders to handling considerable bodies of troops, but to practise their staffs in the movements of men, vehicles and stores on the actual scale of warlike operations

Another feature of the training was 'Combined Operations'. This had been started under Lord Louis Mountbatten a few months before Paget took over Home Forces. Initially, Combined Operations meant

little more than preparing and executing smallish raids on hostile shores, but it developed into rehearsals of the kind of assaults which would have to be undertaken in connection with any serious attempt to re-establish ourselves on the Continent. All three Services were, of course, involved, and the intimacy in working together which was gathered on these exercises was afterwards applied with the most brilliant success in the landings in Normandy on June 6th, 1944.

Paget was also able to do a great deal towards solving the problem of Army-Air co-operation. Of course the main principles had been pretty well demonstrated by the system set up by Montgomery and Conyngham in the Western Desert; but in this country a great deal of nonsense was being talked and a great deal of heat being engendered in both the Army and the R.A.F., and little had been done to adopt the desert system to the infinitely larger needs of Channel landings and an ensuing Continental campaign. However, thanks largely to Paget, the knot was cut and the arguments and quarrels between the two Services became a matter of

> . . . old, unhappy, far-off things
> And battles long ago.

But all this elaborate training would not have been enough to make armies out of collections of individuals and units. It was necessary that the whole organism should become permeated with a high sense of unity and purpose. There is no doubt that under Paget this was achieved and that he was able to instil into his charge a great deal of his own Cromwellian spirit.

Mr. Churchill once referred to Montgomery as 'that great Cromwellian soldier'. I thought then and I think now that the epithet applied much more fittingly to Paget. He was serious – though not at all glum – ascetic, brave, pious; he combined a firm sense of discipline with a deep desire for the welfare of every man under his command, and he insisted on the responsibility of officers not only for the efficiency of their soldiers but for their material and moral well-being; above all, he was determined that the whole force should be possessed by his own burning conviction of mission.

He had none of Montgomery's gift for publicity, but there is no doubt that he did deeply stamp the 21st Army Group with his own qualities. And to my knowledge, Montgomery both publicly, shortly after he took over the group, and privately, at about the time of the triumph of Falaise, paid the highest tribute to the quality of the armies which he had inherited from Paget.

I have no space to describe the circumstances which led to Paget's surrendering the group to Montgomery. By his translation to the Middle East he assumed an entirely different task from that of creating armies, but it was one scarcely less difficult and even more complicated. He found that as the tide of active war receded from Africa the troops there, most of whom were technical and administrative, had become, as it were, sour. They found it hard to realize why they were there at all and harder still to understand why they were kept there so long without relief or home leave. He also found a region where three continents met and where age-old political and religious antagonisms were continually blowing up into open violence.

He got the troops back into a healthy and robust frame of mind, and he dealt with the successive political crises with an effectiveness and economy of effort which were a great tribute to the prestige and force of his character. Now he retires, at his own request, to make way for a younger man. His successor inherits a task full of difficulty, but he inherits also an army in good shape and heart, and he will find a situation which is nowhere out of hand

But when all is said Paget's supreme work was the creation of the 21st Group of Armies a force which, in Montgomery's hands, carried the fame of British arms from Normandy to the Elbe in under a year and which was admitted by the Germans to be the best of the national forces arrayed against them To have been the Moore to Montgomery's Wellington was certainly not all that he would have wished. Indeed, he was bitterly disappointed at not being allowed to use in battle the weapon he had shaped and tempered. But it was great and indeed matchless service to the State and service which, in my view, no other British general could have performed so well.

5. GENERAL SIR GEORGE GIFFARD[1]

Contemporary reputations and judgments are chancy things, in no sphere more so than the military. The names of some generals very quickly become household words while others, who may have done as much or more than the popular heroes, are never heard of General Sir George Giffard made a great contribution to our victory, particularly in the Far East, yet he is perhaps the least known of all the British generals who held high command in the second World War I shall try to make clear what this contribution was, but I am afraid that for full justice Giffard will have to wait till the Official History appears, and by that time he will be beyond the reach of earthly praise

Giffard was commissioned in 1906 He spent more than half the time between then and 1939 with native troops in Africa At the outbreak of war he was Military Secretary in the War Office, and to my knowledge an extremely good Military Secretary A few months later he went to Palestine as G O C , and then, on the collapse of France, he was moved to West Africa He knew more about Africa than any living soldier, and West Africa had suddenly become of great moment It was now a vital staging area for our convoys round the Cape, and it was a source of indispensable raw materials

The French and British colonies there were so intermingled that it could easily become a plague centre for Vichy, and therefore for German, intrigues. It was an essential link in the air route to Egypt, and from it we could, if necessary, develop land routes across Africa In it also we could raise both fighting and labour units to relieve our manpower stringency How important this region was can be gathered from the fact that it was later judged necessary to appoint a Resident Cabinet Minister for it Shortly after his appointment the Minister went out of his way to send to the War Office the warmest of tributes to what Giffard had done and was doing in West Africa

The Mediterranean was reopened in the spring of 1943 and the strategic importance of Africa decreased accordingly And so when

[1] *Sunday Times*, August 18th, 1946

Field-Marshal Wavell asked for Giffard's services in the Far East it was found possible to release him. His new task was to take charge of the land forces based on India for operations outside India, with first priority for the recovery of Burma.

Certain lessons had been learned from the disasters in Malaya and the retreat in Burma in 1942. It was plain that neither British nor Indian troops would cope successfully with the Japanese in the jungle until some grave initial disadvantages had been removed. The standard equipment was too heavy for use against a lightly furnished and highly-mobile enemy. Then there was the jungle hoodoo, which the Japanese fostered by employing all sorts of noises and ruses to rattle troops who disliked fighting against what seemed to be the powers of darkness. And, perhaps most important of all, our men had to rid themselves of the idea that, once the Japanese had infiltrated behind our positions, there was nothing to do but to get back helter-skelter to some position in which it was possible to form an orthodox defence system again.

To evolve a complete outfit of tropical equipment would take time. To overcome the hoodoo and to acquire a suitable jungle fighting technique meant new and concentrated training. After that it was necessary that the new equipment and the new technique should be successfully applied in battle before going all out for the reconquest of Burma and of the Malay Barrier. At the beginning of 1943 Wavell ordered certain minor-scale operations in Arakan. But they were not a success and more preparation was clearly necessary. This was the stage at which Wavell asked for Giffard.

All that summer the process of intensive training went on. Later in the year it was decided to set up a separate South-East Asia Command for all offensive operations based on India or Ceylon. It covered all three Services and also the comparatively small American forces in the area whose role was to supply China, whether by air or by a reopened Burma Road. Lord Louis Mountbatten was appointed Supreme Commander, and the British Empire ground forces in his charge were formally constituted an army group under Giffard. The group was to comprise initially the 14th Army under Slim for

operations overland into Burma, and later another army in addition for seaborne operations – probably against Rangoon in the first instance. S.E.A.C. Headquarters were at Kandy, the army group was in Delhi, while the 14th Army was near Calcutta. It was 1500 miles from Kandy to Delhi, nearly 1000 from Delhi to Calcutta and another 1000 again by narrow-gauge railway or newly-made mountain roads to the Assam-Burma frontier, where the troops were in contact with the Japanese.

The operations projected for the cold weather of 1943-44 consisted partly of a renewed southward thrust in Arakan, partly of a move over the mountains into and down the valley of the Chindwin, and partly of an airborne operation by Wingate's long-range penetration troops behind the main Japanese positions. Complementary operations were to be undertaken under the American General Stilwell to capture Myitkina.

At Kandy, particularly from the Americans there, there was a good deal of criticism of both the limited scope and the slow progress of the land operations, and all kinds of suggestions for more spectacular action were forthcoming. Giffard had to resist these, first, because they were not administratively practicable in that country and over those distances, and, secondly, because he felt that it would be wrong to plan too large until it had been demonstrated in actual battle that the 14th Army could play the Japanese at their own game and beat them. Once this had been done the troops, British, Indian and African, would have unbounded confidence in themselves and could be asked to take on almost anything.

Anyhow, Giffard's caution turned out to be wise. The Japanese were masters of infiltration, and the country was ideally suited for such tactics. In the southern part of the thousand-mile front they got behind the British positions and isolated the 7th Indian Division. This division immediately organized itself for all-round defence and stood to its ground. When it was possible the troops were victualled from the air, and when it was not they went on short rations. In the end it was the enemy who caved in, and they had to retreat, leaving the bulk of the original penetrating force dead either in battle or of starvation.

So far so good, but an even greater task was at hand. The Japanese determined to strike in considerable strength through the mountains at Kohima and Imphal on the Assam borders. They got through far enough to invest both places. Both had to be supplied by air. Kohima was the key to Imphal, and if Imphal fell our communications with the whole of the long Burma front would be cut, while the Japanese would be free to make forays into Bengal. And invaluable as was air transport for rationing or moving troops in an emergency, it was out of the question to make it the regular and normal means of supply.

However, both places held, and what had happened with the 7th Division at the Ngakedauk Pass happened here on a much larger scale. Thousands of Japanese were killed in battle, thousands more of them died of starvation on their retreat, and it was now the Japanese in Burma whose morale was broken, while it was the British Empire forces who had acquired an unbeatable spirit.

Giffard had vindicated himself, and the way was now clear to speed up the operations, in the secure knowledge that the troops would answer any call made upon them. The campaign was continued throughout the monsoon, and it ended only with the capture of Mandalay and Rangoon. But Giffard was not there to see the crown of his work. At the crisis when Kohima and Imphal were in hazard, Mountbatten told him that he no longer had confidence in him. Giffard accepted the judgment without complaint or comment, and left as soon as his replacement arrived several months later. But he did not leave until it was established beyond doubt that he and his work had been triumphantly vindicated. The work was, until after he left, unspectacular.

Giffard was, and is, an unspectacular man, but he and Slim did for our armies in the Far East what Alexander and Montgomery had done in the desert. The dog had a tin can tied on to its tail. He looked as unlike a mastiff as it is possible to imagine. The tin can was removed, and the mastiff stood forth in his full and unbeatable magnitude.

6. FIELD-MARSHAL SIR JOHN DILL[1]

Dill was one of the many Irishmen who have risen to high rank in the British Army. From the time he was first commissioned in 1901 till 1937, when he was G.O.C.-in-C. at Aldershot, he advanced continuously in rank and reputation, and he had filled most of the appointments which are usually regarded as the apprenticeship of future Chiefs of the Imperial General Staff. Indeed he might already have been C.I.G.S. but for the policy of the War Office in the twenty years after 1918 of making rather more than full use of the veterans of the last great war. At all events he was universally regarded as the right and indeed the only choice when the next vacancy should occur. Mr. Hore-Belisha, however, appointed a much younger man in Lord Gort.

Dill felt his supersession keenly. He believed it to be an injustice, but he also began to wonder whether there was not some contributory shortcoming in himself. He might perhaps console himself with the expectation that whoever commanded at Aldershot would command whatever British forces left those shores for the Continent when the inevitable war came. But even this was denied him, for in 1939 Lord Gort was placed in command of the B.E.F. and Sir Edmund Ironside became C.I.G.S. Dill and Sir Alan Brooke commanded the two corps of which the B.E.F. was originally composed.

But the ill-success of our improvised attempts to help the Norwegians in April 1940 made it plain that the higher direction at the War Office needed strengthening. Mr. Chamberlain's Government accordingly decided that the C.I.G.S. should have a Vice, or *alter ego*, and Dill was appointed to the post. No sooner had he entered the War Office than the Germans struck against Holland, Belgium and France. Eventually it was decided to place the ground forces in the charge of Ironside, and Dill at last became C.I.G.S. after only a month as Vice.

Never could a man have succeeded to a more damnable inheritance.

[1] *Sunday Times*, March 23rd, 1947.

The nightmare of Dunkirk, Brooke's foredoomed effort to prolong French resistance south of the Somme, the Battle of Britain, the unarmed Army, the Home Guard with their pikes and petrol bottles – it was enough to daunt the strongest. But Dill now showed no traces of his earlier discouragement or diminished confidence in himself. Everybody who was in the War Office at that time will remember his calmness and his resolute belief not only that we should escape invasion and defeat but that we should in the end confound and destroy the Germans. The strain on him was of course intense. The demands made by attendance on the Chiefs of Staff Committee and the Cabinet were continuous. He never clutched at straws, he never allowed others, however exalted, to clutch at straws, and yet he kept his own courage and helped others to keep theirs.

The cares and preoccupations of the C.I.G.S. over the year that followed did not become any lighter. They involved for him frequent and dangerous journeys abroad, as well as constant discussions and decisions at home. We clearly could not meet all the competing claims. Where could we best afford to take risks? Dill had first to form his own judgments and then submit them to the scrutiny and arbitrament of others. The burden was almost intolerable and in the autumn of 1941 he was showing some return of the listlessness and depression of 1938. It is more than possible that a holiday would have restored him, but he had himself introduced into the Army the rule that normally generals should not be retained after sixty and he accordingly offered to retire as from Christmas 1941. The Government decided to accept his offer and transferred Brooke from Home Forces to fill his place. He arranged to be relieved in the War Office a month before his tenure as C.I.G.S. ended and he proposed to spend this month in a round of farewell visits to the troops in the United Kingdom. But this tour was never finished and his life was once more violently transformed as a result of the entry of Japan into the war.

Mr. Churchill went to Washington to arrange with President Roosevelt the joint strategy of the enlarged war and the joint machinery for carrying it out. Dill, who accompanied him, was left behind to become Head of the British Staff Mission in Washington and principal

co-ordinator between the two Chiefs of Staff Committees in London and Washington. Almost immediately the co-ordinating machinery was formalized into the Combined Chiefs of Staff. Whenever the two sets of Chiefs of Staff could physically meet together they formed the Combined Chiefs of Staff. At other times the heads of the British Services on the Staff Mission in Washington sat in with the American Chiefs of Staff to act as the Combined Chiefs of Staff.

It is no easy matter to co-ordinate strategic decisions when the principals are separated by 4000 miles in space and when one set of them was rendered more than usually sensitive by the errors and misfortunes of Pearl Harbour. That difficulties and dangers were surmounted is due to Dill in large measure. He soon acquired a position with official America which no Englishman — always, of course, excepting Mr. Churchill — has ever occupied before or is likely to occupy again.

His American colleagues realized his whole-hearted devotion to the common cause, they realized his great affection for America and the complete absence of 'high hat' from his make-up. It is also true to say that they recognized in him military knowledge and experience of a very high order. He played a part in securing and a considerable part in maintaining the major decision that Germany must be knocked out first and Japan only afterwards. But it is not necessary for one of his fellow countrymen to labour his contribution to the Allied cause. When he died on November 4th, 1944, after an illness whose gravity he had concealed from most of his friends and which he refused to make a reason for interrupting his work, the American Government accorded to him a State burial at Arlington and the American Congress passed a resolution which I cannot forbear to quote textually.

SEVENTY-EIGHTH CONGRESS

OF

THE UNITED STATES OF AMERICA

Joint Resolution recognizing the outstanding service rendered to the United Nations by Field-Marshal Sir John Dill

Whereas the Congress having been informed of the death of Field-Marshal Sir John Dill, in Washington, District of Columbia, on November 4th, 1944; and

Whereas the Arlington National Cemetery has been chosen as the final resting place of this distinguished soldier; and

Whereas as the Senior British Representative on the Combined Chiefs of Staff, Field-Marshal Sir John Dill, by his wisdom and devotion to the vital cause of British-American military co-operation, rendered a great service to the United Nations: Now, therefore, be it

RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That the outstanding service rendered to the United Nations by Field-Marshal Sir John Dill be, and it hereby is, recognized by the American people and the Congress of the United States.

SAM RAYBURN,
Speaker of the House of Representatives.

HENRY A. WALLACE,
Vice-President of the United States and President of the Senate.

Approved December 20th, 1944.
FRANKLIN D. ROOSEVELT

I doubt if even Lafayette enjoyed such a tribute from the American people, and certainly no foreigner has ever been paid so signal an honour as a State funeral in the national cemetery. He died before the fruits of victory had been gathered, but it was already possible to see that Germany's final defeat was a matter of no more than months, while Japan was being driven back relentlessly on to her inner ring of defences.

A great gentleman, a devout Christian, an accomplished and erudite soldier – but he reached his proper goal only after a bitter

personal disappointment and at a time when it was impossible for any man, however gifted and resolute, to do more than struggle against a sea of troubles. Seemingly tired out by this struggle, he was discarded, but out of apparent failure he extracted triumph – a triumph which has been so uniquely commemorated by the United States that one dares to believe it impossible for the Ancient Grudge ever to take root again in the soil which holds his bones.

INDEX

AFRIDIS, THE, 318f
Alamein, 376, 416
Alanbrooke, Lord, *see under* Brooke, Sir Alan
Alexander, Field-Marshal Lord, 318, 357, 371f, 376, 381, 426ff
Aligarh, 306f
Anderson, Sir John, 188, 277, 282, 398
Angell, Sir Norman, 37
'Anti-Waste' Campaign, 65f
Arsal Kot, 321
Asquith, Herbert Henry, Earl of Oxford and Asquith, 77, 83, 122, 125, 127, 129, 131, 145, 150
Attlee, Clement R., 95, 128
Auchinleck, Field-Marshal Sir Claude, 271, 318, 357
Austria, 93f

BAKER, DR H. F., 27, 32
Balambat, 317
Baldwin, Stanley, Earl Baldwin of Bewdley, 49, 59f, 74, 87f, 96, 98, 100f, 103, 105ff, 115ff, 120, 122f, 126, 129, 131f, 139, 144, 146f, 150, 152, 161, 165, 173f, 182, 187, 191f, 211, 224, 244
Balfour, A. J., Earl of Balfour, 94, 96
Balfour Note, the, 84
Barstow, Sir George, 69
Barthou, J. L., 76, 81
Beatty, first Earl of, 132
Beaverbrook, Lord, 87, 102f, 105, 182, 188
Bennett, Lord, 236
Berlin, 167, 379
Bevan, Aneurin, 355
Bevin, Ernest, 192, 253, 347
Big Bertha, 48
Big Business, 403
Birkenhead, first Earl of, 143, 149, 209ff
Blackett, Sir Basil, 64, 71
Blum, Leon, 338f
Bolghotty, 315
Bombay, 272, Congress Ministers in, 299
Bonham-Carter, Lady V., 397
Bottomley, Horatio, 85
Bournemouth, 15, 24
Brabourne, Lord, 271
Bracken, Brendan, 391
Bradbury, Sir John (later Lord Bradbury), 35, 37, 50, 153, 169, 182f, 185, 254
Bradley, General Omar, 372, 374f
Brassey, Hon. T. A., 24
Brentford, Viscount, *see under* Joynson-Hicks
Bretton Woods, 260
Briand, Aristide, 71, 74, 76f, 206, 228
British Gazette, 188f
Bromwich, Dr T. J. I'A., 28, 31
Brooke, Field-Marshal Sir Alan (Lord Alanbrooke), 337, 339ff, 348, 371, 381f, 417ff
Bruning, Dr. Heinrich, 253, 333
Buchanan, G., 95
Budget, preparation of the, 58; Budgets (1920), 62, (1921), 63, 65f, (1922), 79ff, 83, (1923), 115f; (1924), 138f, (1925), 195ff, 202f; (1926), 203, (1927), 199, (1928), 199ff (1929), 201f, 205

Burke, Edmund, 354
Burton, T. E., 100
Bushe Fox, L. H. K., 27
Byron, Robert, 325

CAEN, 372f
Caillaux, Joseph, 206f
Cairo, 322
Cambridge, University of, 27, 29, 31
Campbell Case, the, 142ff, 146f
Canny, Sir Gerald B., 238, 247
Cape Comorin, 314
Capitalism, 97, 113f, 411, 413
'Caretaker' Government, 397
Carlton Club meeting (1922), 173
Cawnpore, 304
Cecil, Lord Hugh, 20, 218ff
Cecil, Lord Robert, afterwards Viscount Chelwood, 83
Chamberlain, Sir Austen, 55, 62f, 74, 88, 103, 121, 139, 146, 173, 181, 185, 211
Chamberlain, Neville, 53, 60f, 118ff, 131, 173, 200, 249, 252, 254, 262, 338
Chambers, S. P., 295
Cherwell, Lord, 391
Chetwode, Field Marshal Lord, 276
Church of England, 217f
Churchill, Winston S., 60ff, 70, 74, 76f, 82, 86f, 89f, 91f, 95, 107f, 117, 119f, 124, 138, 143, 145, 173ff, 182f, 188, 190, 194ff, 219f, 222, 226f, 233ff, 248ff, 253, 259, 323f, 329, 332f, 338f, 340ff, 348ff, 356f, 361, 364f, 384, 390ff, 397
Civil Service, the, 51ff, Sir Warren Fisher's achievement, 53, Royal Commission on, 226; and Parliament, 353
Clow, Sir Andrew, 30, 34
Clyde Gang', the, 111, 130, 133, 139, 142, 147, 233, 250f
Clynes, J. R., 95, 110, 113, 127, 237
Coal Strike (1921), 63, 65
Cochin, 314f
Communists, 95, 142, 148, 399, *see also* Campbell Case
Congress Party (India), 268, 282ff, 297ff, 324f, 327f
Conscription, Military, 409
Cook, A. J., 190
Coolidge, Calvin, 102, 166
Co operative Societies, 65
Cosgrave, President W. T., 193, 209
Craig, Sir James, *see under* Craigavon
Craig, Sir John H. McC., 35
Craigavon, Lord (Sir James Craig), 209
Credit Anstalt, the, 105, 252, 259
Creedy, Sir Herbert, 332
Cripps Mission, the, 327
Cripps, Sir Stafford, 246f, 251, 349f
Croft, Brig. General Lord, 24
Crowe, Sir Eyre, 151f
Cunliffe Committee, 181f, 185
Cunningham, E., 29
Cuno, Wilhelm, 154, 156, 158, 161, 164
Cushendun, Lord (Ronald McNeill), 214f
Curzon, Lord (of Kedleston), 70, 72, 87f, 111, 116f, 160, 163f, 166

INDEX

DADABHOY, SIR MANECKJI, 307
Daily Mail, 149, 152, 167, 192
Dalton, Hugh, 150
D'Arcy, Father M. C , 264
Dargai, 320
Darwinism, 404
Datta Khel, 320
Dawes Committee, 167, 169, Plan, 105, 205, Report, 129, 134, 181
Deane, General, 358
Dégoutte, General, 154f
Delhi, 278f
Democracy, 410
Derby, seventeenth Earl of, 121, 190
Desai, Bhulabhai, 283
Determinism, Materialist, 408f, 412
de Valera, Eamon, 70, 209
Devlin, Joseph, 93
Dill, Field-Marshal Sir John, 337ff, 348, 381, 417, 438ff
Dindigul, 312
Dir, Nawab of, 317
Domeh, 305
Doumer, Paul, 70, 72
Duncan, Sir Andrew, 398
Dunkirk, 384f, 417, 427, 43), 439
Dunkley, G W , 47
Dyne, Mrs 151

EAST CARDIFF, 354, 397
Economy, 202f
Eden, Anthony, 124, 338, 340, 342f
Edward VIII, abdication of, 107
Egalitarianism, 410ff
Eisenhower, General Dwight D , 371f, 374ff
Emerson, Sir Herbert W., 277
Equality, of opportunity, 403, 407
Exchequer, function of Private Secretary to Chancellor, 57ff
Executive, constitutional position of, 66f, House of Commons and, 67f, stresses on today, 68f
Exmouth, 13, 15

FARIDKOT, 278
Farrar, Gaspard, 185
Fazl-i-Hussain, Sir, 282
Federal Union, 332
Fenwick, Dr , 18, 21f, 25
Fergusson, Sir Donald, 57, 81, 174, 195
Fielden, Lionel, 291, 302
Firth, Sir Harriss 247
Fisher, H A L , 90
Fisher, Professor R A , 31
Fisher, Sir Warren, 50ff, 152
Foulds, John, 302
France, powers of Chamber in, 68 and German Reparations, 71f, 75f, 80, 84, 96ff, 104, 153, 205f, and German aggression, 74, *see also under* Ruhr
Franklin Bouillon, Henri, 74
Free Trade, 403f, 408
Full Employment, 20, 399, 401

GANDHI, M K , 78, 87, 269, 282ff, 297, 300, 302f, 313, 324ff, 330f
Geddes Axe, the, 69
Geddes, Lord (Sir Auckland), 99, 101
Geddes Report, 77f
Geddes, Sir Eric, 69
Gelsenkirchen, 161
General Strike (1926), 107, 186ff, 197
Genoa Conference, 76ff, 80ff
Genoa Resolutions, 81, 181
George, David Lloyd, *see under* Lloyd George, Earl
George, Henry, 97, 246f, 250
Germany, rearmament of, 53, reparations, 62, 64f, 70ff, 74, 76f, 80, 83f, 96ff, 104, 153, 156, 161ff, 166ff, 205, 226, ultimatum to (1921), 64, delegation at Cannes, 75, passive resistance of, 98, Communists in, 157, 159, 161, 163f, 168, 171, parlous condition, 252f, *see also under* Ruhr
Giffard ,General Sir George, 381, 434ff
Gilbert, Parker, 208f
Glover, T R., 264
Gold Standard, the, 94, 180f, 183ff, 193f, 225, 239, 257f, 260, 404, 408
Gollancz, Victor, 401
Gounaris, Demetrios, 74
Graham, General Sir Miles, 376
Graham, William, 229, 251
Great Britain, contribution in second World War, 379ff, decline in influence of, 413
Greco Turkish War, 62, 73f, 85
Greenwood, Arthur, 95
Gregory, J D , 148, 151
Grigg, Sir James, birthplace, 13, father, 14ff, 23f mother, 14, 17, family moves to Bournemouth, 15, early schooldays, 15ff, precocity, 15ff secondary schooldays, 20ff, scholarship to St John's Cambridge, 25, at Cambridge, 26ff, Mathematical Tripos, 30, heads Civil Service Examination, 34, at the Treasury 35ff, joins R G A , 38, Salonica, 41ff, at Office of Ballistics, 47f, return to Treasury, 49, marriage 49 married life, 50, 54, appointed private secretary to Sir W Fisher, 54, principal private secretary to Chancellor of the Exchequer, 55ff, at Paris Conference, (1921), 70f at Cannes, 74ff, at London Conference, 85, and break up of Coalition, 88, admiration for Lloyd George, 89ff, visits America, 98ff, 102, at Hague Conference, 228ff, Chairman of Board of Custom and Excise, 60, 238, Chairman of Board of Inland Revenue, 238, 261f holidays abroad 262ff, in Rome, 263, in Italy, 264, 323, in Greece, 263, becomes finance member of Viceroy's Executive Council, 264, arrival in Bombay, 271, in Simla, 272, 275, in Delhi, 272, dislike for Congress, 284, work as finance member, 289ff, his five Indian budgets rejected, 297, travels in India, 303ff visits Egypt, 322, attitude to India, 324ff, relations with Congress leaders, 325, Under Secretary at the War Office, 332ff, Chairman of Standing Committee on Army Administration 343, becomes Secretary of State for War, 327, 350, elected for East Cardiff, 351, visit to North Africa, 387f, articles on British generals in *Sunday Times*, 381, 417ff, East Cardiff election (1945), 397f
Guingand, Sir Francis de, 375f
Guinness, Col. Walter (Lord Moyne), 214

HAGUE CONFERENCE (1929), 228
Hailey, Lord, 277, 305
Hailsham, Lord (D McG Hogg), 45, 218

Haldane, Viscount, 111, 128, 172
Halifax, Earl, 333, 338
Hankey, Lord, 229
Harriman, Averill, 358
Harvey, George B. McC., 99f
Hastings, Sir Patrick, 144f
Havenstein, Rudolf, 168
Hawtrey, R. G., 81f, 181
Hayek, F. A., 115
Hazlitt, Henry, 183
Heath, Sir Thomas, 35
Henderson, Arthur, 113, 124, 128, 229, 237
Henderson, R. B., 39f
Herriot, Edouard, 134, 171, 205
Hilferding, Rudolf, 164
Hindenburg, Field-Marshal, 252
Hiroshima, 379
Hitler, Adolf, 90, 159, 164, 172
Hoare-Laval Pact, 106
Hoare, Sir Samuel (Lord Templewood), 264
Hogg, D. McG., *see under* Hailsham, Lord
Hoover, Herbert C., 100, 106, 240, 252
Hore-Belisha, L., 124
Horne, Lord, 55, 59f, 62ff, 72ff, 77, 79ff, 83, 88, 91, 96, 102, 143f, 146, 173, 270
Hough, Gertrude Charlotte, 48f, *see also under* Grigg
Hughes, Charles E., 100ff, 166
Humphreys, Travers, 142, 144
Hurcomb, Sir Cyril, 36
Hymans, Paul, 228

Imperial Conference (1930), 236f
Imperial Economic Conference (1923), 120, 126, 138
Imperial Preference, 60, 226
Income Tax, 83, 116, 195, 198ff, 232, 234f, 248, 261, 400
Independent Labour Party, 95
India, general background, 265ff, and Britain, 324ff, 330, and Soviet Russia, 331; hierarchical polity, 411, *see also under* Congress Party
India, Government of, Bill, 294f, 323
Industry, managerial structure of, 409
Inter-Allied Rhineland Commission, 155
Inskip, Sir Thomas (Lord Caldecote), 218
Ipi, Fakir of, 321
Ireland, failure of coercion, 62, 70, Treaty with, 74, 86; outrages in, 78, Boundary Commission, 143, 193, 209
Ironside, Field-Marshal Lord, 336, 338ff
Iyer, Sir C. P. Ramaswami, 313f

Japan, 327, 328, 357, 378f
Jaspar, Henri, 228
Jellalabad, 318
Jinnah, M. A., 282, 300, 328
Johnston, Tom, 95, 150
Jones, Jack, 93, 145
Jones, W. E., 16ff, 21
Joynson-Hicks, Sir William (Viscount Brentford), 117, 188, 218

Kashmir, 309
Kemal Ataturk, 86
Keynes, Lord, 104f, 181ff, 231ff, 243, 253, 257, 260
Khan, Abdul Ghaffar, 282
Khan, Sir Sher Mohammed, 305
Khan, Sir Sikander Hyat, 277
Khyber Pass, 318f
Kimberley, second Earl of, 174
King, Admiral E. J., 358
King, General Sir Charles, 347
Kingsley, Brigadier Bell, 304
Kohat, 319f
Kopriva, 44f
Kruger, Ivar, 230

Labour Party, 68f, 111f, 128ff, 133f, 150, 224ff, 397ff, 404, 406f, 409f
Landi Khana, 318
Landi Kotal, 318f
Land values, taxation of, 246f
Lansbury, George, 130, 142, 242f
Larmor, Sir Joseph, 29
Laski, H. J., 398
Lausanne Conference (1932), 104, 208
Law, A. Bonar, 54, 74, 79, 86ff, 96, 101, 103, 107, 116, 153, 158
Lease-Lend, U S, 343, 400
Lenin, N., 79, 130, 411
Linlithgow, second Marquis of, 268, 293, 326
Littlewood, Prof J. E., 47f
Lloyd George, David, first Earl, 62, 70, 74f, 77ff, 86ff, 94, 96, 103, 107, 109, 122f, 199, 208, 226f, 233f, 242ff, 251, 396
Lloyd-Greame, Philip, *see under* Swinton, Viscount
Lloyd, Lord, 324
Logan, Colonel James A., jnr, 205
London Conference (1922), 84f
Lords, House of, 67f
Lothian, eleventh Marquis of, 326, 332
Loucheur, Louis, 71, 74, 206
Lucknow, 304
Luther, Dr. Hans, 168, 302

McArthur, General Douglas, 358, 371, 378
MacDonald, J. Ramsay, 95, 97, 109, 112f, 122, 124ff, 128f, 130ff, 140f, 144, 146ff, 151f, 224, 237, 256f, 261
McKenna, Reginald, 96, 101f, 105, 117f, 167, 182, 184, 253
Maclean, Sir Donald, 83
Macmillan, Lord, 186, 230
Macmillan Report, the, 186f, 253, 259
McNeill, Ronald, *see under* Cushendun
Madras, Congress Ministers in, 299
Madura, 312f
Mahalanobis, Professor, 31
Malakand, 317
Mallory, Air-Marshal Leigh, 385f
Mancroft, Lord, 214ff
Mantoux, Etienne, 104
Margesson, Lord, 350
Marsh, Sir Edward, 174
Marshall, General George C., 348, 371
Marx, Karl, 410, 414
Marx, Wilhelm, 168
Marxism, 20, 33, 91, 114, 130, 404, 406f, 410f, 414
Materialism, 33, 409
Mauritshuis, the, 229
Maxton, James, 89, 95, 111, 251
May Report, 254ff, 259
May, Sir George, 245
Melchett, Lord, 93, 113, 115
Mellon, Andrew, 100, 102

INDEX

DADABHOY, SIR MANECKJI, 307
Daily Mail, 149, 152, 187, 192
Dalton, Hugh, 150
D'Arcy, Father M. C., 264
Dargai, 320
Darwinism, 404
Datta Khel, 320
Dawes Committee, 167, 169; Plan, 105, 205, Report, 129, 134, 181
Deane, General, 358
Dégoutte, General, 154f
Delhi, 278f
Democracy, 410
Derby, seventeenth Earl of, 121, 190
Desai, Bhulabhai, 283
Determinism, Materialist, 408f, 412
de Valera, Eamon, 70, 209
Devlin, Joseph, 93
Dill, Field-Marshal Sir John, 337ff, 348, 381, 417, 438ff
Dindigul, 312
Dir, Nawab of, 317
Domeli, 305
Doumer, Paul, 70, 72
Duncan, Sir Andrew, 398
Dunkirk, 384f, 417, 427, 430, 439
Dunkley, G W., 47
Dyne, Mrs , 151

EAST CARDIFF, 354, 397
Economy, 202f
Eden, Anthony, 124, 338, 340, 342f
Edward VIII, abdication of, 107
Egalitarianism, 410ff
Eisenhower, General Dwight D , 371f, 374ff
Emerson, Sir Herbert W., 277
Equality, of opportunity, 403, 407
Exchequer, function of Private Secretary to Chancellor, 57ff
Executive, constitutional position of, 66f, House of Commons and, 67f, stresses on today, 68f
Exmouth, 13, 15

FARIDKOT, 278
Farrar, Gaspard. 185
Fazl-i-Hussain, Sir, 282
Federal Union, 332
Fenwick, Dr , 18, 21f, 25
Fergusson, Sir Donald, 57, 81, 174, 195
Fielden, Lionel, 291, 302
Firth, Sir Harriss, 247
Fisher, H A L , 90
Fisher, Professor R A , 31
Fisher, Sir Warren, 50ff, 152
Foulds, John, 302
France, powers of Chamber in, 68 and German Reparations, 71f, 75f, 80, 84, 96ff, 104, 153, 205f, and German aggression, 74, *see also under* Ruhr
Franklin Boullon, Henri, 74
Free Trade, 403f, 408
Full Employment, 20, 399, 401

GANDHI, M. K., 78, 87, 269, 282ff, 297, 300, 302f, 313, 324ff, 330f
Geddes Axe, the, 69
Geddes, Lord (Sir Auckland), 99, 101
Geddes Report, 77f
Geddes, Sir Eric, 69
Gelsenkirchen, 161
General Strike (1926), 107, 186ff, 197
Genoa Conference, 76ff, 80ff
Genoa Resolutions, 81, 181
George, David Lloyd, *see under* Lloyd George, Earl
George, Henry, 97, 246f, 250
Germany, rearmament of, 53, reparations, 62, 64f, 70ff, 74, 76f, 80, 83f, 96ff, 104, 153, 156, 161ff, 166ff, 205, 226, ultimatum to (1921), 64, delegation at Cannes, 75; passive resistance of, 98, Communists in, 157, 159, 161, 163f, 168, 171, parlous condition, 252f, *see also under* Ruhr
Giffard ,General Sir George, 381, 434ff
Gilbert, Parker, 208f
Glover, T R , 264
Gold Standard, the, 94, 180f, 183ff, 193f, 225, 239, 257f, 260, 404, 408
Gollancz, Victor, 401
Gounaris, Demetrios, 74
Graham, General Sir Miles, 376
Graham, William, 229, 251
Great Britain, contribution in second World War, 379ff, decline in influence of, 413
Greco Turkish War, 62, 73f, 85
Greenwood, Arthur, 95
Gregory, J D , 148, 151
Grigg, Sir James, birthplace, 13, father, 14ff, 23f, mother, 14, 17, family moves to Bournemouth, 15, early schooldays, 15ff, precocity, 15ff, secondary schooldays, 20ff, scholarship to St John's Cambridge, 25, at Cambridge, 26ff, Mathematical Tripos, 30, heads Civil Service Examination, 34, at the Treasury 35ff, joins R G A , 38, Salonica, 41ff, at Office of Ballistics, 47f, return to Treasury, 49, marriage, 49, married life, 50, 54, appointed private secretary to Sir W Fisher, 54, principal private secretary to Chancellor of the Exchequer, 55ff at Paris Conference, (1921), 70f, at Cannes, 74ff, at London Conference, 85, and break up of Coalition, 88, admiration for Lloyd George, 89ff, visits America, 98ff, 102, at Hague Conference, 228ff, Chairman of Board of Custom and Excise, 60, 238, Chairman of Board of Inland Revenue, 238, 261f, holidays abroad, 262ff, in Rome, 263, in Italy, 263, 323, in Greece, 263, becomes finance member of Viceroy's Executive Council, 264, arrival in Bombay, 271, in Simla, 272, 275, in Delhi, 272, dislike for Congress, 284, work as finance member, 289ff, his five Indian budgets rejected, 297, travels in India, 303ff, visits Egypt, 322, attitude to India, 324ff, relations with Congress leaders, 325, Under Secretary at the War Office, 332ff, Chairman of Standing Committee on Army Administration, 343, becomes Secretary of State for War, 327, 350, elected for East Cardiff, 351, visit to North Africa, 387f, articles on British generals in *Sunday Times*, 381, 417ff, East Cardiff election (1945), 397f
Guingand, Sir Francis de, 375f
Guinness, Col. Walter (Lord Moyne), 214

HAGUE CONFERENCE (1929), 228
Hailey, Lord, 277, 305
Hailsham, Lord (D McG Hogg), 45, 218

INDEX

Haldane, Viscount, 111, 128, 172
Halifax, Earl, 333, 338
Hankey, Lord, 229
Harriman, Averill, 358
Harvey, George B. McC., 99f
Hastings, Sir Patrick, 144f
Havenstein, Rudolf, 168
Hawtrey, R. G., 81f, 181
Hayek, F. A., 115
Hazlitt, Henry, 183
Heath, Sir Thomas, 35
Henderson, Arthur, 113, 124, 128, 229, 237
Henderson, R. B., 39f
Herriot, Edouard, 134, 171, 205
Hilferding, Rudolf, 164
Hindenburg, Field-Marshal, 252
Hiroshima, 379
Hitler, Adolf, 90, 159, 164, 172
Hoare-Laval Pact, 106
Hoare, Sir Samuel (Lord Templewood), 264
Hogg, D. McG., *see under* Hailsham, Lord
Hoover, Herbert C., 100, 106, 240, 252
Hore-Belisha, L., 124
Horne, Lord, 55, 59f, 62ff, 72ff, 77, 79ff, 83, 88, 91, 96, 102, 143f, 146, 173, 270
Hough, Gertrude Charlotte, 48f, *see also under* Grigg
Hughes, Charles E., 100ff, 166
Humphreys, Travers, 142, 144
Hurcomb, Sir Cyril, 36
Hymans, Paul, 228

Imperial Conference (1930), 236f
Imperial Economic Conference (1923), 120, 126, 138
Imperial Preference, 60, 226
Income Tax, 83, 116, 195, 198ff, *232*, *234f*, *248*, 261, 400
Independent Labour Party, 95
India, general background, 265ff, and Britain, 324ff, 330; and Soviet Russia, 331, hierarchical polity, 411; *see also under* Congress Party
India, Government of, Bill, 294f, 323
Industry, managerial structure of, 409
Inter-Allied Rhineland Commission, 155
Inskip, Sir Thomas (Lord Caldecote), 218
Ipi, Fakir of, 321
Ireland, failure of coercion, 62, 70; Treaty with, 74, 86; outrages in, 78, Boundary Commission, 143, 193, 209
Ironside, Field-Marshal Lord, 336, 338ff
Iyer, Sir C. P. Ramaswami, 313f

Japan, 327, 328, 357, 378f
Jaspar, Henri, 228
Jellalabad, 318
Jinnah, M. A., 282, 300, 328
Johnston, Tom, 95, 150
Jones, Jack, 93, 145
Jones, W. E., 16ff, 21
Joynson-Hicks, Sir William (Viscount Brentford), 117, 188, 218

Kashmir, 309
Kemal Ataturk, 86
Keynes, Lord, 104f, 181ff, 231ff, 243, 253, 257, 260
Khan, Abdul Ghaffar, 282
Khan, Sir Sher Mohammed, 305
Khan, Sir Sikander Hyat, 277
Khyber Pass, 318f
Kimberley, second Earl of, 174
King, Admiral E. J., 358
King, General Sir Charles, 347
Kingsley, Brigadier Bell, 304
Kohat, 319f
Kopriva, 44f
Kruger, Ivar, 230

Labour Party, 68f, 111f, 128ff, 133f, 150, 224ff, 397ff, 404, 406f, 409f
Landi Khana, 318
Landi Kotal, 318f
Land values, taxation of, 246f
Lansbury, George, 130, 142, 242f
Larmor, Sir Joseph, 29
Laski, H. J., 398
Lausanne Conference (1932), 104, 208
Law, A. Bonar, 54, 74, 79, 86ff, 96, 101, 103, 107, 116, 153, 158
Lease-Lend, U.S., 343, 400
Lenin, N., 79, 130, 411
Linlithgow, second Marquis of, 268, 293, 326
Littlewood, Prof. J. E., 47f
Lloyd George, David, first Earl, 62, 70, 74f, 77ff, 86ff, 94, 96, 103, 107, 109, 122f, 199, 208, 226f, 233f, 242ff, 251, 396
Lloyd-Greame, Philip, *see under* Swinton, Viscount
Lloyd, Lord, 324
Logan, Colonel James A., jnr., 205
London Conference (1922), 84f
Lords, House of, 67f
Lothian, eleventh Marquis of, 326, 332
Loucheur, Louis, 71, 74, 206
Lucknow, 304
Luther, Dr. Hans, 168, 302

McArthur, General Douglas, 358, 371, 378
MacDonald, J. Ramsay, 95, 97, 109, 112f, 122, 124ff, 128f, 130ff, 140f, 144, 146ff, 151f, 224, 237, 256f, 261
McKenna, Reginald, 96, 101f, 105, 117f, 167, 182, 184, 253
Maclean, Sir Donald, 83
Macmillan, Lord, 186, 230
Macmillan Report, the, 186f, 253, 259
McNeill, Ronald, *see under* Cushendun
Madras, Congress Ministers in, 299
Madura, 312f
Mahalanobis, Professor, 31
Malakand, 317
Mallory, Air-Marshal Leigh, 385f
Mancroft, Lord, 214ff
Mantoux, Etienne, 104
Margesson, Lord, 350
Marsh, Sir Edward, 174
Marshall, General George C., 348, 371
Marx, Karl, 410, 414
Marx, Wilhelm, 168
Marxism, 20, 33, 91, 114, 130, 404, 406f, 410f, 414
Materialism, 33, 409
Mauritshuis, the, 229
Maxton, James, 89, 95, 111, 251
May Report, 254ff, 259
May, Sir George, 245
Melchett, Lord, 93, 113, 115
Mellon, Andrew, 100, 102

Middleton, Drew, 383
Milne, Lord, 45f
Milner, Viscount, 123
Mitchell, Rossiyn, 150, 218
Mohmands, the, 318
Molotov-Ribbentrop Pact, 393
Molotov, V. M., 392
Mond, Sir Alfred, *see under* Melchett
Montagu, E. S., 78
Montagu-Chelmsford reforms, 87, 266f
Montgomery, Field-Marshal Lord, 349, 357, 364, 366, 371ff, 381ff, 385ff, 421ff
Moore, Sir John, 382
Morel, E. D., 96
Morning Post, 188
Morrison, Herbert, 124
Mosley, Sir Oswald, 89, 224, 242f
Mountbatten, Earl, 330, 368, 371, 386, 431, 435
Moyne, Lord, *see under* Guinness
Munich (1938), 119, 324, Hitler coup (1923), 168
Mussolini, Benito, 77, 97, 207, 332

NAGASAKI, 379
Nahakki Pass, 318
Naples, 323
Narvik, 338
National Government, the, 259
Nationalization, 399
Nehru, Pandit Jawaharlal, 288, 325, 327f, 331, 413
Newbold, Walton, 95, 110
New Economic Policy (U S S.R.), 79
New York Times, 382
Niemeyer, Sir Otto, 182, 185, 259, 295
Norman, Lord, 94, 98, 101, 136, 193, 259
North-West Frontier (India), 92, 266, 317, 427
Nowshera, 317

O'CONNOR, T. P., 122
O'Higgins, Kevin, 209
Olivier, Lord, 128
'Overlord', Operation, 359, 363, 369ff, 384, 386

PAGET, GENERAL SIR BERNARD, 346, 348, 366, 381f, 385, 425, 430ff
Pakistan, 300, 330
Palermo, 322f
Pant, Pandit Govind Vallabh, 283, 299
Paris Conference (1921), 70ff, (1923), 153
Patton, General George, 377f
Pearl Harbour, 347
Pensions, 194f, 203, 231
Peterhof (Simla), 273f
Pethick-Lawrence, Lord, 124, 224, 251
Phillips, Sir Frederick, 35
Pigou, Prof. A. C., 185
Pile, General Sir Frederick, 341
Pirelli, Alberto, 70f, 228
Poincaré, Raymond, 76, 81f, 84f, 90, 99, 129, 134, 153, 163ff, 169f, 208f
Ponsonby, Lord (of Shulbrede), 134, 140f
Prayer Book, revision of, 216ff
Preference, 138f
Privilege, 402, 409, 412
Prohibition, in India, 299
Proletariat, dictatorship of the, 411
Protection, 60, 132f, 216, 244

QUETTA, EARTHQUAKE, 284, 324

RAJAGOPALACHARI, C., 299
Rakovsky, K. G., 140
Ramnagar, 315, 317
Ramsay, Admiral Sir Bertram, 215, 372, 384
Rapallo, Treaty of, 75, 81
Rathenau, Walter, 75f, 81
Razmak, 321
Rearmament, 108f, 323, 333
Reichsbank, the, 160, 169, 253
Reparations, 62, 64f, 70ff, 74, 76f, 80, 83f, 96ff, 129, 134, 153, 156, 161ff, 166ff, 205f, 226
Roberts, Peter, 91ff
Rohtak (Punjab), 305
Rommel, Field Marshal Erwin, 357
Roosevelt, F. D., 103, 327, 340, 358, 392f, 416
Roseveare, R. V. H., 47, 49
Ruhr, French occupation, 90, 98f, 104, 109, 118, 126, 134, 153ff
Runciman, Lord, 210

SAKLATVALA, S., 95
Salisbury, fourth Marquis of, 110, 121
Samuel, A. M., *see under* Mancroft
Samuel Commission, 187
Samuel, Lord, 249
Santayana, George, 413
Sarkar, N. R., 299
Sarrail, General, 45f
Satyagraha, 287
Satyamurthi, S. A., 283
Saxony, 167
Schacht, Hjalmar, 118, 168, 230
Schuster, Sir George, 264
Schweitzer, Albert, 302
Science, ultra scientific outlook, 33
Shaw, G. B., 410
Shinwell, E., 95
Shop-stewards movement, 407
Simla, 275ff
Simon, Lord, 113, 131, 142, 144, 147, 189, 216
Sinclair, Sir A., 108
Sinclair, Sir Robert, 336
Singapore, naval base, 132
Sircar, Sir Nripendranath, 276
Slim, General Sir William, 381, 437
Slump (1930), 241f
Smith, Adam, 127
Smith, Herbert, 190, 192
Smoot, Reed, 100
Snowden, Lord, 60, 91, 95, 97, 113ff, 117, 132f, 135f, 138, 145, 150, 177f, 184, 194, 204, 213, 216, 224ff, 231, 234ff, 243, 249, 251f, 256f, 261, 323
Socialism, 112, 114, 404
Soleri, Sgr., 70
Soviet Russia, 20, 78f, 82, 97, 129f, 139ff, 148f, 331, 342f, 348, 357f, 377f, 380, 411, 413
Spatz, General Carl, 369
Spry, Gordon, 238
Srinagar, 309f
Stalin, J. V., 130, 392f, 418
Stalingrad, 357
Stamp, Lord, 169, 186, 248
Stampe, Sir William, 305
State Intervention, 403, 406ff, 412
Steed, Wickham, 78
Stephen, Campbell, 95
Stewart, Dr. George, 388
Strakosch, Sir Henry, 182, 186

Stresemann, Gustav, 90, 158, 160, 164, 166, 168, 230
Suleiman Khel, 319
Supply, Ministry of, 333f, 336
Sutlej, river barrage, 305
Swinton, Viscount, 120
Syracuse, 322

TAJ MAHAL, 308
Tardieu, A P, 230
Taxation, 405, 407, 409, *see also under* Income Tax
Taylor, L W, 21ff
Taylor, Sir James, 34
Teheran, 371
Thames Flood (1928), 220ff
Theunis, Georges, 70, 72
Thomas, J H, 128, 151, 224, 226, 237, 242f
The Times, 78f 82, 120, 142f, 145, 147, 150, 167, 171, 185, 275
Tobruk 349
Toqueville, A C de, 410, 412f
'Torch', Operation, 368ff
Trade Disputes Act, 192
Trade Unions, 112, 130f, 187ff, 399, 403, 406f, 410
Treasury, functions of, 35ff, and relations with its Ministers, 56f
Trenchard, Lord, 91f, 132
Trivandrum, 313f
Turkey, 90, 96
Tweedsmuir, Lord, 218
Tyrrell, Lord, 165

UNEMPLOYMENT, 73, 109f, 120, 122, 128, 133f, 181, 203, 224f, 231f, 239ff, 253, 255ff, 405f
United Provinces Congress Ministers in, 299
United States, powers of Congress, 68, British Debt to 63, 79f, 97, 99ff, 110, 227, Allies' debts to, 80, 84 and Reparations Commission, 166f
U S S R, *see under* Soviet Russia

VE DAY, 397
Venizelos, E K, 46, 87, 207
Venning, Sir Walter, 335
Versailles, Treaty of, 64, 104, 153f, 405
Volpi, Count G, 207

WALLACE H C, 102
Walsh, Stephen, 218
War Debts 63, 79f, 84, 97, 99ff, 110, 205ff, 227f *see also under* Reparations
War Office, 333ff, 339, 341, 343ff, 359f
Watt Sir Harvie, 391
Wavell, Field Marshal Lord, 328ff, 342, 371, 435
Waziristan, 321
Webb, Sidney 95, 110, 128
Webb, R R, 28f
Weeks, Lt General Sir Ronald, 33, 363f
Westminster by election, 137f
Wheatley, John, 95, 123, 125, 130, 251
Wilkins, Roland F, 35f
Willingdon, first Marquess of, 275
Wilson, Sir Henry, 85
Wilson, Sir Horace, 53, 224, 332, 350
Wilson, Woodrow, 104
Woolley, Sir Leonard, 302
Woolwich, Bishop of (W W Hough), 49, 223
Worthington Evans, Sir Laming, 74

YOUNG, OWEN D, 208
Young Plan, 105, 226f, 230
Younger, Sir George, 82

ZETLAND, SECOND MARQUIS OF, 300
Zinovieff, G E, 129
Zinovieff Letter, 148ff